

162
REPORTS BY OFFICERS

APPOINTED BY THE

COMMANDER-IN-CHIEF

TO INQUIRE INTO THE



WORKING OF THE REMOUNT DEPARTMENT
ABROAD.

Presented to Parliament by Command of His Majesty.

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Report on Remount Operations in the United States, by General Sir R. Stewart, K.C.B., and Lieut.-Colonel E. Holland, R.A.

In submitting our report we deem it to be in accordance with the instructions conveyed in your memorandum of 27th February 1902, to consider first of all the several points as noted therein.

1. *Whether the intention of Government to purchase a large number of horses for the war in South Africa was made widely known throughout the country by means of advertisement?*

We find that the intention of Government to purchase horses in the United States was not made widely known by means of advertisements, because on the breaking out of the war the necessity for circulating this information by this means had passed. What happened was that in the month of July 1899, Colonel Scobell, Captain the Honourable H. Marsham, and Veterinary-Captain Smith were ordered to proceed to the United States to make inquiries as to the possibility of obtaining horses and mules should war break out. The presence of these officers in the breeding districts of the United States and the inquiries they instituted (although endeavour was made to keep the matter quiet) were sufficient to give the dealers and breeders an idea that animals were required by the British Government, so that when orders to purchase reached the officers they were inundated with offers, and then all that was necessary was to select contractors at the places which by their inquiries they found most suitable. These points were St. Louis, Kansas City, and Fort Worth and other places in Texas for mules, St. Louis, Texas, Wyoming, and the West for horses. Subsequently, on Colonel de Burgh taking charge of the Commission in December 1900, he extended his operations to the more western districts the purchasing point in which was Ogden, 40 miles north of Salt Lake City, which tapped the States of Utah, Washington, Montana, Oregon, and Nevada.

Major
Scobell's
evidence.

2. *Whether the arrangements made by the Remount Department for the provision of animals, horses and mules, for South Africa appear to have been suitable?*

The arrangements for provision of animals seem at first to have been all that were possible under the circumstances. It is to be remembered that at first the Commission was very much under-manned. Shortly after his arrival Colonel Scobell left the United States to join his regiment in South Africa, leaving the entire operations of purchasing and shipping in the hands of Captain the Honourable H. Marsham and Veterinary-Captain Smith. Looking to the enormous distances over which the purchasing operations extended and to the necessity of the presence of an officer at New Orleans to superintend the shipping arrangements, this led to the purchasing operations falling into the hands of Veterinary-Captain Smith who proved himself unworthy of the position (to which we shall refer again in our general remarks), whilst Captain Marsham conducted the shipping arrangements and the finance, which latter, by this time, had reached considerable proportions.

Subsequently Colonel Stevens arrived to assist Captain Marsham, and apparently carried on operations in Kansas City, in Wyoming, in the West, and in the Middle States, 1,500 miles from New Orleans. And when in the autumn of 1900 there came a lull in the South African war this officer seems to have been re-called.

On arrival of Colonel U. de Burgh, in December 1900, he re-organised the Commission, and since then the arrangements have been carried on in a thoroughly businesslike manner and with excellent judgment, and the staff of purchasing officers has been considerably increased.

There is an adequate staff at New Orleans to conduct the shipping arrangements and there is a finance officer in Kansas City, which is the headquarters of the Commission, to carry on the accounts. Whatever shortcomings occurred at first are, in our opinion, due to the fact that the Commission was under-manned, and that there was no ostensible head, or commanding officer.

3. *Whether the horses and mules now being passed are in all respects suitable?*

4. *Whether the class of animal procured has been suitable for the work required of it?*

We have taken every opportunity of inspecting the horses and mules purchased, both in Texas, St. Louis, Kansas City, and in the West at Denver and Ogden. We saw upwards of 1,000 horses and 1,000 mules awaiting shipment at New Orleans. We were present at an inspection and purchase of horses at St. Louis by Major Powell on the 4th April. We also saw inspection and purchasing at Denver by Lieut.-Colonel T. de Burgh, and at Ogden by Lord Fingall. We visited the ranch at Lathrop where we saw upwards of 2,000 horses and mules which, after inoculation, would be despatched to New Orleans for shipment.

Taking the mules first, we are of opinion that they are first class. In our experience nothing approaches them, except the gun mules in mountain batteries in India, and we do not see a fault to find with them as a class.

As regards the horses, we admit the difficulty of forming a correct opinion simply from seeing them in herds or at a purchasing inspection. A horse which appears to have every qualification for a trooper may fail for want of some attribute essential to the work required of him, which only comes out after severe test, and we have not heard the opinion of anyone who has served in South Africa with North American horses. Judging them as a class, we should think them the very type of mounted infantry horses. In height from 14.2 to 15 hands, with good backs, straight legs, fair riding shoulders, and with enough bone and quality to ensure endurance. The Western horse is still more difficult to judge, as we saw them in the rough. They were, as a lot, not in such good condition. Some were obviously weak, and had not recovered from the severity of the winter and their journey. Those we saw at Denver lacked the regularity of type which characterised those we saw at Lathrop. Yet they looked to be improving horses, and that they only wanted time to develop into that hardy enduring useful horse for which the West is so famous. It seemed to us that if it were possible to give the North American horse time and some training before putting him into the field he would turn into the ideal horse for mounted infantry, or to carry light cavalry without equipment. On the other hand, if not given time to recover from the long land journey of sometimes 2,000 to 3,000 miles before shipment, and from the effects of the change from intense cold in the West to the tropical climate of New Orleans, if not fortunate in their voyage, and if hurried into work before recovery from the effects of the voyage, that they might go to pieces and be condemned in South Africa by those unacquainted with the hardships they have endured before inspection there.

5. *The average prices paid, and whether those prices appear to have been such as should reasonably be given.*

The prices given for horses have not varied much, and those for mules have somewhat risen since operations commenced. At first the prices for horses were: Cavalry 125 dollars, Police 90 dollars, Yeomanry 80 dollars, Mounted Infantry 75 dollars (Q. 16).

Captain Haygate, who was in the United States from July 1900 to October 1900, and again from December 1900 to August 1901, purchased horses at: Cavalry 125 dollars, cobs 80 dollars (Q. 62).

Colonel de Burgh on arrival in November found the prices fixed:

Cavalry	-	-	-	-	-	110 to 125 dollars
Police	-	-	-	-	-	95 dollars.
Cobs	-	-	-	-	-	85 "

The prices for cobs rose somewhat when in 1900 the demand greatly increased, and when the call for cobs for South Africa became more urgent.

Colonel de Burgh, in order to make the prices more elastic, introduced a sliding scale for cavalry, 100 dollars, rising by 5 dollars to 125 dollars, according to quality. In June 1901 he reduced the extreme price to 100 dollars, that for cobs remaining the same (Q. 79).

In the summer of 1901 the class for cavalry was abolished, and when the height of horses for South Africa was reduced to 15.1 Colonel de Burgh made a class for cobs only: 14.3 to 15, 85 dollars; 15 to 15.1, 100 dollars (Q. 81).

On a still further reduction of height Colonel de Burgh instituted the following prices:

Class A. 15 to 15.1	-	-	-	-	100 dollars.
„ B. 14.3 to 15	-	-	-	-	85 „
„ C. 14 to 14.3	-	-	-	-	70 „

(Q. 83) which prices we found in existence throughout the area of purchasing operations in North America, with exception of St. Louis and the east of the Mississippi. In the case of Northern and Western horses, which includes the States of Colorado, Utah, Nevada, Oregon, Washington, Idaho, Wyoming, the prices being cheaper there the dealer has to pay all charges and deliver the stock in good condition at Lathrop, 40 miles east of Kansas City, which would always entail a journey for the horses of from 1,000 to 2,000 miles with all its attendant risks at the expense of the dealer.

Letter to
I.G.R., 28th
Feb. 1902.
Appendix F.

As regards the mules, the price originally fixed by Colonel Scobell was for Missouri mules, 70 dollars, and for Texas 60 dollars, at which prices he first of all made contracts (Q. 25). The above were the prices at the place of purchase. The price seems subsequently to have been raised to 80 dollars (Q. 84), which price Colonel de Burgh found on arrival, and he considered the mules bad. He then raised the price to 90 dollars (Q. 84). Subsequently Colonel de Burgh entered into an arrangement with Messrs. Guyton and Harrington to supply mules at 95 dollars and 85 dollars, which still exists.

We have gone into this question of prices as deeply as has been in our power, and have taken evidence from all persons calculated to give us reliable information on the question. It seems that about some six to eight years ago the class of horses which our officers have been purchasing was a drug in the market. In Texas, we are informed, ranch owners shot them down, and in Portland (Oregon) there was a manufactory for making them into German sausages.

When purchasing operations commenced in 1899 there was a very small staff. Colonel Stevens seems to have fixed the price for horses at 125 dollars and for Texas cobs at 70 dollars, and Missouri cobs at 85 dollars. Looking to the enormous number of horses which at that time were to be found in Texas (in itself as large as France) and in other states, we think that a lower price might at first have been obtained, but when once the urgent demand for horses for South Africa commenced it was impossible to expect any reduction in the price originally fixed. The purchasing staff was at first quite inadequate to the immense area over which they worked. The novelty of the country to all and the want of knowledge of the language of those with whom the officers were brought in contact, rendered the task a very difficult one. Rightly the first object of the officers was to supply the urgent demands for South Africa at all costs. As regards the mules we think that the advanced prices lately paid is due to the large demand, and considering the high class of animal obtained we do not think the price excessive.

Colonel De Burgh has done his utmost to keep down prices, and the average price for 89,799 horses up to January 31st, 1901, including all expenses, officers allowances, travelling, &c. is 92.33 dollars, and the average price of every animal on board ship at New Orleans is under 110 dollars.

6. *Whether the inspection of animals both by the Remount and Veterinary Officers have been of a proper description, and how many animals have been inspected per day on the average.*

We personally saw several inspections of horses and mules both by Remounts and veterinary officers and consider them on the whole very satisfactory. The Remount Officers knew their work well and their selections were carefully made. Equally were the veterinary officers careful in the examination, and if anything there was a tendency on the part of one or two to be too strict. At first officers were permitted to inspect as many horses as they could in one day, but latterly Colonel de Burgh has very properly limited the number to 100 horses.

7. *The arrangements made for the care of animals between delivery from the seller and embarkation, and whether these arrangements appear to have been satisfactory or otherwise.*

All horses and mules from Texas and the Southern States are sent to New Orleans where they are kept in the corrals at Chalmette till embarkation. All horses from the Western and Northern States are sent to the ranch at Lathrop, 40 miles east of

Kansas City, where they are inoculated and if in poor condition detained till fit for embarkation. We consider the corrals and sheds at New Orleans admirably adapted for the purpose, and that every possible arrangement has been made for the care of animals whilst there (*see report*).

Perhaps the most admirable and by far the most interesting establishment connected with the operations is the Lathrop ranche where horses from the Western States are sent for inoculation and to be prepared for embarkation (*see report*). It is admirably managed by Veterinary-Major Moore, A.V.D., and staff of officers attached, and we not think any more suitable or economical arrangement could have been arrived at.

8. *The arrangements for embarkation, and whether they appear to have been good and suitable.*

The arrangements for embarkation are excellent. It was fortunate that the sheds at the Chalmette wharfs were available, and the rent paid 540 dollars per mensem does not seem high. Every convenience with shelter is at hand, and experience has taught the officers what in the way of corrals and shutes for examination of horses before embarkation, and for the embarkation itself were necessary, and these have been constructed in a strong but rough style which meets all requirements.

Captain Eden, late Royal Navy, the officer in charge of embarkation, is a very efficient officer who has charge of the whole arrangements and whose experience has been of the greatest value in superintending operations on so large a scale as these have assumed. By his tact his relations with the captains of ships and shipping companies are of a very cordial nature, and his own indefatigable exertions are supported by those under him.

9. *The percentage of rejection on any cargo that you may see shipped as compared with rejections on other cargoes during the last six months.*

The percentage of rejections on the ships we saw loaded was 10 per cent. which was said to be high when compared with other cargoes, but accurate statistics of the number of rejections on each ship had not been kept.

GENERAL REMARKS.

Area of
operations.

In estimating the importance of the operations now being carried on by the Remount Commission in the United States, it is necessary to consider the distances over which they extend.

New Orleans, the place of embarkation, is 700 miles from Fort Worth in Texas, and 1,200 miles from Kansas City, both of which places are purchasing centres, and within 40 miles of the latter is the depôt at Lathrop, where the horses are inoculated prior to being forwarded to New Orleans for embarkation. Denver is 650 miles west of Kansas City, where there is a purchasing depôt, and Ogden, where there is another purchasing officer, is 638 miles further to the north-west. The dealers bring horses from the Western States to these points, so it may frequently happen that horses travel 3,000 miles before reaching the port of embarkation.

Colonel U.
de Burgh.

We consider that Colonel U. de Burgh, who found the Commission altogether undermanned, has organised the operations with admirable discretion, and has conducted them with due regard to the importance of promptly complying with the heavy demands for horses and mules for South Africa. He has, generally speaking, obtained accurate information with regard to the horse supply of the several States west of the Mississippi, and has officers posted at suitable and convenient centres. In the Eastern States horses are not found in great numbers, so only one purchasing officer is posted at St. Louis, who works the Eastern States. In the exercise of his important functions, Colonel de Burgh has not only displayed excellent power of organisation and administration, but he has the capacity of making those under him work with admirable energy and desire to carry out his instructions. We were much struck with and desire to bring to notice the admirable tone which prevailed amongst the officers at New Orleans, who we found working at their several duties in a pestilential climate with remarkable energy, which we consider due to the excellent influence of Colonel de Burgh and Captain Eden.

One point of Colonel de Burgh's administration which we call in question, is that we do not think he has taken sufficient advantage of the Chicago market, which is by far the most important in the States. (Q. 380.) Nor do we think his reasons for not doing so sufficient. The evidence of Mr. Bruette, Inspector Agricultural Department, and of Mr. Erskine, Vice Consul, Chicago, show the advantages of the position of Chicago and that of Mr. Spoor, Director of the Stockyards, show the conveniences available, and even taking into full account the prejudice of these gentlemen in favour of Chicago, and their desire to obtain a share of the trade in remounts, we do not think so important a market should have been disregarded. Chicago is the great mart in the States for high-class horses. It will be seen from the statistics furnished with Mr. Bruette's evidence, that in the Middle Western States, which include Illinois, Indiana, Iowa, Wisconsin, Michigan, Minnesota, there are 8,000,000 horses, and that these districts have never been tapped by Remount Officers. Where so many horses are bred they would probably be found of all classes, and the advantages of Chicago as a centre for purchasing, with its accommodation for 6,000 horses in stalls, and for 25,000 in paddocks, are so great that we regret they have not been used to more advantage. We think that the officer who works the east of the Mississippi, might have been available for periodical visits to Chicago, and this trade in horses is so enormous that we can conceive the possibility of Chicago becoming a very valuable purchasing centre for remounts.

Q. 381
Q. 385
Q. 384

Q. 381.

We are able to report favourably of all officers now serving in the United States, both from our own observation and from the evidence of Colonel de Burgh (Q. 86), and we regret that the misconduct of one or two officers, who are no longer in the Commission, has brought upon it some degree of discredit in the public press which the officers now serving in the United States very properly deeply resent.

Officers.

With reference to above remarks, from our inquiries we are of opinion that Veterinary-Captain Smith was guilty of malpractices of a nature which has brought the greatest discredit on the department in which he was an officer.

Vet.-Captain
Smith.

The evidence of Civil Veterinary-Surgeon Davis and Captain Fenner, Veterinary-Captain Smith's own letter to Captain Marsham (marked A.) and his own subsequent desertion leave on our minds no doubt as to his moral guilt. He seems to have received from Mr. Steger, of Bonham, Texas, and from other dealers, a commission on every animal he purchased, and the evidence of Colonel de Burgh (Q. 84), and of Veterinary-Surgeon Davis, show that at this time Veterinary-Captain Smith was purchasing mules of most inferior type, many absolutely unfit and useless from over age.

Q. 103.
Q. 92.

Q. 103.
Letter B.

It was most unfortunate that the paucity of officers necessitated the employment of Veterinary-Captain Smith for a time as a purchasing officer. The responsibility of this rests with Captain the Honourable H. Marsham, but having reviewed all the facts of the case, and having taken into consideration the paucity of officers at the time, and the necessity for his own presence at New Orleans we do not see how Captain Marsham could have avoided employing Veterinary-Captain Smith as a purchasing officer, and we acquit him of indiscretion in the matter. We have received excellent reports of Captain Marsham's work in a very difficult and responsible position. We are not aware how Veterinary-Captain Smith came to be selected for so important a duty as veterinary officer on the Remount Commission, and the responsibility of his selection must rest with the head of the Veterinary Department.

We must also bring to notice that Captain Maudeslay and Veterinary-Surgeon Hawes appear to have behaved with great want of judgment, and, in our own opinion, with extreme impropriety in purchasing for themselves horses which were brought up for inspection as remounts, and which had actually been branded. (Evidence of Colonel de Burgh and Mr. Anson).

Captain H.
Maudeslay.
Q. 87.
Q. 200 and
statement.

Captain Maudeslay seems also to have been wanting in discretion in his general conduct, and to have been not only insubordinate to Colonel Dent in Canada, and to have failed to accommodate himself to Colonel de Burgh in the United States, but to have been indolent in his work. (Evidence of Colonel de Burgh and Colonel Dent.)

Canada,
Q. 37.

The question of relation of officers with dealers has been brought before us, and we have taken the opportunity of making very full inquiries into this matter, and we have visited the purchasing depôts in view of ascertaining what the arrangements were. We find that at some places such as Grand Junction and elsewhere there was no other accommodation than the residence of the dealer. We

Relations of
officers with
dealers.

consider that in many remote places it was unavoidable for the purchasing officer to accept the hospitality of the dealer for the day or two he was there, and we find that when this has extended for a longer period the officer has paid his share of expenses.

Profits of
dealers.
Q. 198, &c.
Q. 114.
Q. 372.
Q. 373.

It is very difficult to ascertain the extent to which profits have been made by dealers. Mr. Anson, from whom 18,500 have been purchased, acknowledges to a profit of \$13½ per animal; Messrs. Campbell and Reid acknowledge to \$5 per horse; Messrs. Moncrieffe say that whilst last summer they made \$10 per horse, they now make hardly \$5.

From all we gather, and we admit the difficulty of arriving at a correct basis, we think that at first large profits were made, but latterly, considering the expenses incurred by dealers and the risks they ran in sending horses over long distances before inspection, the uncertainty of selection, particularly when changes of purchasing officers took place, as well as the loss incurred in disposing of rejected horses, that the profits have not been altogether undue. When considering this it must be remembered that, roughly, 100,000 horses and 100,000 mules have been purchased, and that whilst the gross profits on these numbers may appear large, they are not undue in proportion. Dealers in England say they cannot make the remount trade pay unless they make 2% per head on every horse purchased, and they have not a tithe of the risks to which the American dealer is put.

Embark-
ation.

We considered the general arrangements for embarkation of animals admirable, but we did not think the instructions for the conducting officer quite ample.

Instructions
to conducting
officers.

These officers are mostly young and inexperienced, and, from personal observation, we think it desirable to give officers more detail than those issued by Colonel De Burgh. We think conducting officers should, if possible, be furnished with a nominal roll of muleteers by the shipping company. If that is impossible (and we imagine there are cases where the muleteers are only engaged at the last moment) then the conducting officer should have explicit instructions to take charge of them and to take their names as they come over the side of the vessel, and after they have been searched. Having taken charge of the muleteers, the conducting officer should lose no time in telling off each man to his charge of horses or mules, so that before the vessel leaves the river and reaches the open sea when most of them may be sea sick, every man will know his place and thereby neglect of the animals may be obviated.

Colonel De Burgh considered that so long as the Vice-Consul and shipping authorities were on board the charge of the muleteers could not be taken by the conducting officer. This we do not consider sufficient reason for the conducting officer not taking charge whilst the vessel is at anchor in the stream and before she weighs.

Officers.

We think it right to bring to notice the high opinion Colonel De Burgh holds of the officers now serving under him. From our own observation we are prepared to endorse this opinion, and we wish specially to mention the excellent services of Captain Eden, already mentioned, Veterinary-Captain J. Moore, A.V.D., and Civil Veterinary-Surgeon Davis. The good work of the former officer at Lathrop we had opportunity of judging and have already mentioned. The high character, the professional capacity, and the zeal of Civil Veterinary-Surgeon Davies has earned him the confidence of those with whom he has worked.

Reduction of
allowances
when officers
are in-
capacitated
by sickness.
Q. 389.

We understand that under the orders of the Secretary of State when officers employed on this Commission are unfit for duty through ill-health their allowances are reduced from 2l. 15s. to 1l. per diem, and we beg to invite attention to the case of Captain Fenner (*see* Q. 95), who when laid up with enteric fever had to pay 25 dollars per week to a nurse, in addition to his doctors' bills, whilst his allowances were reduced during the time he was incapacitated. Considering the nature of the duty on which these officers are engaged, the pestilential climate of New Orleans, the liability to accidents when employed amongst half broken horses, we cannot but think that officers should be treated as regards medical and nursing attendance, exactly the same as if employed on active service. We are not aware of the regulation which guides such matters, and we cannot but sympathise with the feeling evinced by all the officers that the reduction was unjust.

Vide Colonel
Skinner's
evidence,
Q. 389.

Resentment
of officers at
remarks in
House of
Commons

We think it right to notice the resentment shown by all senior officers and some dealers at the remarks of a derogatory nature which have been made in the House of Commons and elsewhere, as well as in the public press, questioning the probity and integrity of their transactions.

We pointed out to the officers that whatever had appeared in the press was of a general nature, and that no direct attacks against the North American Commission had been levied. We learn that the deep resentment which prevailed amongst relatives in England against the attacks in the House of Commons and in the press had communicated itself to the officers employed here when they understood how unjustly and without official contradiction all those attached to the Remount Department were included in the general category of public remarks regarding officers which were termed "Remount Scandals." This, coupled with remarks in the American newspapers, in the cities where Remount Officers were working which were often in the worse possible taste has undoubtedly cause to arise a very unfortunate feeling that Government was not upholding the character of officers who were giving their best energies to the Government service.

We have fully discussed this matter with the officers and have endeavoured to disabuse them of the idea that any general dissatisfaction with the work of the present staff of the North American Commission prevailed in official circles.

Lastly, as regards the future supply of horses and mules in North America. We admit that though we travelled through most breeding districts our short stay does not enable us to form an opinion from personal experience. From inquiries made on all possible occasions we gather that horses are becoming hard to find, but we think the difficulty arises from the reduction in height, and from the greater strictness as regards manners, rather than from the supply becoming exhausted. In the West we believe there are plenty of horses, but a paucity of trained ones fit for service. Rancho owners will not go to the expense of rounding up and breaking horses for which there may be no market, and in anticipation of the speedy termination of the war they are only breaking sufficient horses to comply with their orders.

From the fact that at all our purchasing inspections we noticed very few five-year-olds, the age of the majority being from six to nine years, we are led to conclude that despite the great demand only matured horses are still being presented for inspection, and that there are plenty of young horses still to draw upon.

If this is correct and if the information received at Chicago that the Middle Western States have not been tapped is reliable, we may still hope to obtain as many horses as we may require.

As regards mules, our information is that the great demand of late both for the war in Cuba and in the Phillipines as well as for that in South Africa has greatly reduced their numbers, and that without an increase of price it will soon be difficult to obtain them. Our own impression is that despite the great demand for mules of all classes the high prices given by us for the war has stimulated the trade and that we may still command as many as we may require.

But both for horses and for mules any rise in the price now given should, we think, be strenuously resisted.

R. C. STEWART, GENERAL.

E. HOLLAND, LT.-COL., R.F.A.

To
The Quartermaster-General,
War Office.

RECORD OF EVIDENCE

TAKEN BEFORE THE

COMMISSION OF INQUIRY ON REMOUNT OPERATIONS

IN

UNITED STATES,

HELD BY

GENERAL SIR R. STEWART, K.C.B., AND LIEUT.-COLONEL E. HOLLAND, R.A.

5th March 1902.

1st Witness:—Captain the Honourable R. H. MARSHAM, 7th Hussars.

Capt.
the Hon. R. H.
Marsham.
5 Mar. 1902.

1. When were you employed in remount operations in the United States?—I went out with Major H. Scobell, Scots Greys, in July 1899; the party consisted of ourselves, Veterinary-Major Fenton, and Veterinary-Captain Smith, A.V.D.

2. What were your instructions?—The instructions were given to Major Scobell.

3. Where did you go to first?—We went first to St. Louis, having made inquiries as to the possibilities of purchasing mules. Major Scobell first had dealings with Messrs. Maxwell and Crouch, of St. Louis, and endeavoured to ascertain from them as to the price of mules. After that I went to New Orleans.

4. How were you employed at New Orleans?—In investigating the capabilities of the place as regards accommodation for mules in case we received orders to purchase. The arrangements for bringing down the mules by rail, and those connected with feeding, watering of them, and embarkation.

5. Had you anything to do with the shipping?—Nothing as regards the chartering of the ships. All we had to do was to arrange the fittings of the ships. I had had previous experience of what was required, and the contractors had to comply with my demands.

6. Were they satisfactory?—Generally satisfactory, after the first. I had some difficulty at first, but not after the contractors once understood that they had to comply with my wishes. I never heard of any fittings giving way on the voyage.

7. Had you to find the men for grooms, &c. on board the ship?—After Major Scobell left, I arranged with the agents for the men.

8. When did you begin to purchase mules?—As soon as war was declared.

9. Where did you go to, and who was associated with you?—We went to St. Louis. Veterinary-Captain Smith went with me.

10. Were you satisfied with the way Captain Smith conducted his duties?—I was satisfied with the way he carried on his veterinary duties; he was very hard working. There was one matter of a confidential nature which occurred towards the end of my period of service there, which I thought necessary to report to the War Office, but which I am not at liberty to mention, without the knowledge of the Adjutant-General.

11. Would you be so good as to tell the Court what this matter was?—I have no objection if the Court wishes. The circumstances were these: A long time after we had been purchasing, a charge was brought by one Mr. Steger, of Bonham, Texas, a former mule contractor, stating that on more than one occasion he had paid Veterinary-Captain Smith large sums of money as commission on Government mules purchased. He stated also that Messrs. Maxwell and Crouch, of St. Louis, and Sparkes Brothers, of Kansas City, had

also paid Veterinary-Captain Smith money. I proceeded to St. Louis and investigated the charges. Both parties absolutely denied having paid Captain Smith anything, and offered their books for examination. I then returned to New Orleans, and sent my assistant, Captain Fenner, to see Mr. Steger's proofs at Bonham. On his arrival Mr. Steger was absent, although warned of Captain Fenner's object; on Captain Fenner saying he would wait Mr. Steger's return the latter returned at once, but refused to produce any proofs.

12. Was Veterinary-Captain Smith assisting you in examining the mules which you were purchasing at this time, during which he is supposed to have taken bribes?—No. Up to the time Major Scobell left Veterinary-Captain Smith was working with me. After that I became Senior Officer, and Veterinary-Captain Smith was detailed by me to purchase mules at the several points at which I had made contracts. St. Louis, Kansas City, Bonham Texas, Fort Worth, Little Rock. During this time, Veterinary-Captain Smith was both purchasing and examining officer for mules only.

13. Who succeeded you?—Colonel de Burgh, 3rd Dragoon Guards, succeeded me, and I then took charge at New Orleans, and was in general charge of shipping arrangements—O.C. at the port of embarkation. This was about October 1900.

14. Did you pay the dealers direct for the mules?—I paid the dealers by cheque. The necessary funds were placed by Government to my account in the Louisiana National Bank by Messrs. Cox and Co. For every cheque paid I obtained the receipt of the person to whom the cheque was paid on the Army Form (I forget the number of the form).

15. Having heard from the dealers the accusations against Veterinary-Captain Smith, would you tell us what your own opinion of him was?—I considered him an excellent veterinary adviser, and having failed to prove him guilty, I feel bound to give him the benefit of the doubt. Mr. Steger was not a very reliable man, and I thought it possible he might have brought forward this accusation out of spite.

16. What were the principal markets for horses and mules?—Texas, St. Louis, and Kansas City, and State of Montana, were the States where horses were bought. St. Louis and Kansas City for all horses, Texas and Montana for cobs. The prices were for horses:—Cavalry, 125 dollars (30%); police, 90 dollars (20%); yeomanry, 80 dollars (18%); mounted infantry, 75 dollars.

17. Was the class of man supplied by the skippers to go on board with horses and mules to South Africa satisfactory?—The foremen were satisfactory, but the men were not always good. They were the best procurable at the wages given—15 dollars for the trip and return passage.

2nd Witness:—Colonel SCOBELL, 5th Lancers.

Col. Scobell.

5 Mar. 1902.

18. When were you employed on Remount duty in the United States?—I left England on 29th July 1899, accompanied by Captain the Honourable H. Marsham, 7th Hussars, Veterinary-Captain Smith, and Veterinary-Major Fenton, and we went to New Orleans.

19. What were your instructions from the Remount Department?—We were to inquire generally into the best markets for obtaining mules for the Army in anticipation of war with South Africa, and be ready at a moment's notice to make purchases.

20. What steps did you take?—I first of all went to the Q.M.G.'s office of the United States Army at St. Louis, and obtained from him all the information as to the best points for the purchase of mules, and the best dealers to employ. I also inquired from everyone likely to give me information. I was in the habit of writing weekly to the I.G. of Remounts, telling him what I was doing, and those letters are, I conclude, in the Remount Branch Office.

21. Was the intention to purchase mules made generally known throughout the country?—No. At first I had no orders to purchase, but only to inquire; in fact, at first I tried to conceal my intention. Subsequently, when I received orders to purchase, I was in a position to make contracts with those dealers whose characters I had ascertained as dependable men.

22. Did you make use of advertisement?—There was no necessity for advertisements. I was inundated with applications from men anxious to sell animals. I beg to hand in a report of information on the mule supply of the United States, which I submitted on my arrival at Cape Town to the I.G. of Remounts, and a form of contract such as I was in the habit of making with the contractors.

23. Were the arrangements for the provision of animals for South Africa suitable? Would you detail them?—The dealers were responsible for the mules until they were put on to the train at the place where they were purchased. As a matter of economy the dealers were made to keep and feed the mules until a ship was reported ready at New Orleans. I had information when a ship would be ready at New Orleans, and I endeavoured to arrange inspections so that the dealers should not have to keep the mules for a lengthened period. I made the contracts in St. Louis, and I deputed Captain Marsham to purchase the mules, and he was accompanied by Veterinary-Captain Smith. I could not go myself because of the quarantine regulations.

24. Were the mules purchased satisfactory?—Yes, quite; and they were fully appreciated by Colonel Birkbeck in South Africa.

25. What was the price given for mules?—The highest price was 70 dollars for Missouri mules, and

60 for Texas mules, between the ages four to eight free on the train. These were obtained on contract from St. Louis, Messrs. Maxwell and Crouch, Kansas City; Sparkes Brothers, Bonham Texas; E. D. Steger, Fort Worth, Texas; A. F. de Smeth. These were all broken to harness. Subsequently I received orders to purchase 500 bigger mules, which I did at a price of 110 dollars. I did not see these big mules, having left the United States before the contract was completed. Between the date of my arrival at New Orleans and that of my sailing for South Africa, I made contracts for 8,820 mules.

26. What were the arrangements for embarkation?—I had nothing to do with the chartering of the vessels. The War Office wired to me when a ship would arrive. There was very little delay in shipping mules for want of transport. I made all the arrangements for shipping, and saw all the fittings myself. The shipping agents, who made the contract with the Admiralty supplied the material. It was my duty to see that the fittings were secure, and that no excessive number of mules were put on board. I never heard any complaints of bad fittings on these ships, and the percentage of loss was, I believe, very small with exception of on the "Manchester City," which was under a different charter, by which I was not at liberty to regulate the number of mules which I thought the ship would conveniently and safely carry. I myself went in this ship to South Africa, and I am aware that on the voyage the loss was 188 out of a total of mules shipped of 2,080. This ship was chartered by the Admiralty under a different contract to that of the "Prab," "Montesumo," "Hurornab," and another whose name I forget, and I believe was chartered by a Mr. Houston.

27. What were your arrangements for taking care of the mules between delivery and being placed on board?—A contractor (Mr. McGhee) at New Orleans made all arrangements at a charge of 35 cents per diem; for that he provided everything, and assisted in placing them on board.

28. About how many mules did you inspect and pass in a day, and what were the rejections?—If the animals were of a good class I could get through about 250, working 8 hours a day. The percentage of rejections were about 25 to 30.

29. Please state the names of the officers who assisted you?—Captain Marsham went out with me as my assistant, and I utilised the services of Major Flint, King's Dragoon Guards, during the time he was there before his ship sailed. Captain Marsham is a good judge, painstaking, and gave me every assistance. Captain Flint afforded me every assistance during the time he was under me.

6th March 1902.

3rd Witness:—Captain E. R. MAUDSLAY, late 6th Lancers.

Capt. E. R. Maudslay.

6 Mar. 1902.

30. When did you leave England?—I left England on 15th May 1901. My instructions were to report myself to Lieut.-Colonel Dent at Montreal. I arrived there May 24th.

31. What instructions did Colonel Dent give you?—On 31st May and 1st June I went to Ottawa and commenced buying horses. The contracts had been previously made by Colonel Dent. The contractor at Ottawa was E. S. Skead. The prices were:—Artillery horses, 145 dollars; cavalry horses, 140 dollars; cobs, 125 dollars. Free delivery at Montreal. Artillery horses up to 15·2½-15·3 hands; cavalry horses up to 15·1-15·2 hands; cobs up to 14·2½-15 hands. About the 4th June Colonel Dent left for Western Canada, and I took charge at Montreal. I remained in charge till the 16th August and did not make any change in the contracts. I was assisted by Captain R. Chaplain, 10th Hussars, and Major Rowe, A.V.D. Major Rowe, A.V.D., did no purchasing; I myself did it all.

32. What were the arrangements for shipping?—The ships were engaged by Admiralty contract. I inspected the ships and passed the fittings and the forage.

33. Had you any reason to be dissatisfied with the fittings of the ships?—No, but I think that when a

ship is sent from England without fittings the Remount Officer should have at his disposal the services of a practical foreman carpenter to assist him in passing the fittings. The Remount Department in London settled the number to be put on board, leaving a margin. There was no overcrowding as a rule. No reports came to me of anything wrong, but I believe that Colonel Dent received some. The shipping agents made arrangements for grooms on the ship at the rate of 1 man per 15 horses, 4 foremen in the ship. I do not know what wages these men received.

34. Did you inspect the men to see that they were efficient before they were put on board?—There was no opportunity to do so. The men were put on board ship while the horses were being embarked, and I had several times to complain to the agents that the men were not on board in time, and the consequence was the horses were neglected.

35. Will you state your procedure on buying?—I inspected and examined for action each horse. The horse was led up with a halter and measured. If I passed him he was examined by the veterinary surgeon. He was then ridden and galloped for his wind. If passed, his description was taken down and he was branded.

*Capt. E. R.
Maudslay.*

6 Mar. 1902.

36. What was the percentage of rejection?—About 50 per cent. The best horses were obtained from Ontario. In the north the horses are slightly heavier than in the south of Ontario. The horses in Eastern Canada are bred by farmers, in Western Canada on ranches.

37. What number of horses are available in these districts?—In Eastern Canada the supply is by no means inexhaustible, and latterly I had a difficulty in finding sufficient horses of the required sizes and ages.

38. What type of horse did you get in Eastern Canada?—Good shaped horses showing a good deal of quality, but many of them are more suitable for harness than riding horses, having been broken young to harness. Some showed a tendency to long backs and weak quarters; these were rejected.

39. How many horses did you buy in a day?—I never inspected more than 100 or 150 in a day if I could help it. I do not think any man ought to do more than that.

40. What arrangements were made for the care of horses after purchase?—The contractor received so much a day per horse, and put them in the train when they were required for embarkation. The contract price was for free delivery at Montreal, Government

paying for keep from date of purchase. The contractor received from 40 to 50 cents per diem per horse. Horses were kept in the stock yard at Montreal as short a time as possible.

41. Were the horses generally sound or was there any peculiarity?—Diseases of wind very rare. Sand cracks and cataract prevalent. In many cases fetlock joints were enlarged from bad shoeing.

42. Did you buy horses in any other part of America or Canada?—On 19th August 1901 I proceeded, accompanied by Major Rowe, A.V.D., to New Brunswick, Nova Scotia, and Prince Edward's Island to purchase horses. I beg to hand in the accompanying report which I made to Colonel Dent on my return. I only bought 115 horses, and do not think the country provides sufficient horses to make it worth while a Remount Officer going there. About October 20th, 1901, I went to Kansas City and bought 818 mules, under Colonel de Burgh. Veterinary-Surgeons Drage and Hawes assisted me. About November 12th, 1901, I went to Fort Worth and bought 1,760 horses, 1,791 mules, assisted by Veterinary-Surgeon Hawes. These veterinary surgeons were satisfactory in every way. I remained at Fort Worth buying till January 1902, when I returned to England. I bought all the horses and mules in Kansas City and Fort Worth under contracts made by Colonel de Burgh.

7th, March 1902.

4th Witness:—Captain W. H. FIFE, late 9th Lancers.

*Capt.
W. H. Fife.*

7 Mar. 1902.

43. What date did you go to America on remount duty?—In March 1900, and I was purchasing horses and mules till August 1900. Horses in Texas. Mules in Missouri and Texas.

44. What were your general instructions?—I received my instructions entirely through the Remount Branch to purchase horses and mules for the British South African Company, and to make contracts for them subject to instructions from headquarters. I also was employed in purchasing horses for the Remount Branch under contracts made by Colonel Stevens.

45. Who was associated with you in the purchase of these horses?—First Civil Veterinary-Surgeon Davies, afterwards Veterinary-Surgeon Knight.

46. What contractors did you employ?—I bought 2,000 horses by contract from Honourable Claude Anson, in Texas, and 1,000 mules from different dealers. In Texas, Mr. Stegar. In St. Louis, Messrs. Maxwell and Crouch, and in Kansas City, Sparkes Brothers. The above were for the British South African Company. I also bought about 1,000 horses from the Honourable W. and F. Anson, and from Mr. Stegar for Government.

47. What contracts did you make yourself?—I found 1,000 horses and 1,000 mules waiting for my inspection on arrival under a contract already made. I arranged a contract for 1,000 horses subsequently with Honourable C. Anson. The contract originally made was for 60 dollars. The contract I made was for 43 dollars.

48. How do you account for the difference in contract prices?—First, because there was an understanding between the contractor and the British South African Company that if he received a contract for a second thousand horses or more the whole was to be reduced to a cheaper rate. Secondly, I made the second contract on different terms, namely, that the horses were to be inspected by me at or near the places where they were purchased, whereas by the first contract the horses were inspected at New Orleans.

49. Do you consider the above contracts were about the fair value of horses of that class?—Yes. I do not think that prices went up much owing to the sudden demand.

50. Was the supply equal to the demand?—Yes, while I was there the supply was practically unlimited.

51. Do you consider the arrangements made by the Remount Branch were the best that could be made under the circumstances?—Certainly, with the staff that was available, and the large number of horses required at short notice. They could have been purchased in no other way.

52. Do you consider that the animals bought were suitable?—Both mules and Texas horses were first class.

53. Will you briefly mention your system of buying?—The horse was trotted up in hand towards me. If he trotted sound, the veterinary surgeon examined him while I gave out his description, which was taken down by my secretary. A rider was then put on him bare-backed, and he was galloped for his wind. He was then branded.

54. How many did you purchase in a day?—From 115 to 120. The percentage of rejections varied from 50 to 10 per cent.

55. Did the veterinary surgeons assisting you perform their duties to your satisfaction?—Civil Veterinary-Surgeon Davies was quite one of the best veterinary surgeons I have had under me. Civil Veterinary-Surgeon Knight was younger and had less ability. He did not satisfy me.

56. Did these veterinary surgeons ever purchase?—Never. Every horse was carefully inspected by myself.

57. Had you perfect confidence in the integrity of the veterinary surgeons?—Yes. Quite so.

58. Were you responsible for the horses from the place of purchase to place of embarkation?—As regards the British South Africa Company horses Mr. Anson was responsible for them to New Orleans, and I took them over there. I had no responsibility about Government horses with the exception of purchasing.

59. Were the arrangements on the trains satisfactory?—Quite satisfactory.

60. Were you responsible for the embarkation?—I used to superintend the shipping of my own horses and mules, but Captain Marsham made all arrangements.

61. Have you any suggestions to offer with regard to buying horses on an emergency in the United States?—The staff generally was undermanned. We were much in want of men of the class of N.C.O.s or stud grooms. We had great difficulties in getting good veterinary surgeons too on the ships, and in getting good foremen to go in charge of horses on the ships. The men who were told off to look after the animals on board ship were provided by the agents, and generally quite ignorant of horse management. I think these men should be engaged subject to the approval and on the recommendation of the remount officer, and that they should be properly paid. In cases where horses on an emergency and in very large numbers it would be possible for officers to buy horses from ranches at a cheaper rate.

5th Witness:—Captain R. L. HEYGATE, late Royal Artillery.

Capt. R. L.
Heygate.

7 Mar. 1902.

62. When did you go to America on remount duty?—1st July 1900 to October 1900. 2nd December 1900 to August 1901. I was in the United States all the time. In my first visit I purchased horses only in Wyoming. The contractors there were:—Moncrieff Brothers and Captain Grissall. I made no contract and was under the orders of Colonel Stevens. To the best of my recollection the prices were:—Cavalry horses, 125 dollars; cobs, 80 dollars. My duties were confined to purchasing only. The horses and cobs were excellent. The cobs better than the horses.

63. What veterinary officers assisted you?—Civil Veterinary-Surgeon Wall. He gave me complete satisfaction.

64. Where did you purchase on your second visit?—I was under the orders of Colonel de Burgh, and purchased in my turn at St. Louis, Lawrence, Lattrop, Wyoming and Fort Worth, Texas, horses or mules. I liked the Texas and Wyoming better than any horses there. They were brought up harder. I made no contracts. In my opinion the Texas mule was a better bred animal than the Missouri mule.

65. What was your procedure on buying?—I saw them trotted up, ridden, and tried them for action, and

then looked over them with the saddle off. The veterinary surgeon then examined them, and if he passed them, they were branded.

66. What veterinary surgeons had you to assist you?—A great many different men. Veterinary-Captain Drage, Civil Veterinary-Surgeons Runciman, Borrowman, Trydall, Wall, Session. They all gave me complete satisfaction, and in my opinion were absolutely honest and straightforward.

67. Were any of these veterinary surgeons allowed to purchase?—No one by my orders.

68. What did you do to ensure proper care of horses on the train?—I saw that the contractors did their duty, and the veterinary surgeon inspected the horses before they were put on board the train.

69. How many horses did you examine in a day?—I have accepted about 250, but less as a rule. The percentage of rejections varied.

70. Have you any suggestions to make for future guidance?—If the contractors understood that there would be a continuous demand for horses, they could provide better horses at a cheaper rate.

New Orleans, La.—2nd April 1902.

6th Witness.—Civil Veterinary-Surgeon J. T. CROSBY, M.R.C.V.S.

S.S. "Teutonic," 14th March, 1902.

71. How many trips have you made from New Orleans to the Cape?—Six, commencing in April, 1900. 1st, "Sahara," with mules. She was overcrowded, and we lost a number of mules. 2nd, "Monarch." 3rd, "Montcalm." 4th, "Milwaukee." 5th, "Hydasper." 6th, "Monarch." The last five took horses and we lost a small proportion; they were satisfactory in every way. The men in charge were of a very poor class and only got 15 dollars for the trip. Many of them were unaccustomed to horses.

72. What were the terms on which you embarked?—The first four journeys on a salary only. The last two journeys I got three shillings a head for every horse banded on a loss of 2—1/2 per cent., of two shillings on a loss of five per cent., one shilling on a loss of seven per cent. No head money unless horses were in good condition. This was in addition to previous salary. I think the result was beneficial.

73. Were the fittings and forage satisfactory?—The forage was with the exception of one voyage on the "Milwaukee"; the fittings substantial but rough.

74. When you were in New Orleans did you hear that any Veterinary-Surgeon employed in the Remount Department had received commissions?—I did hear that Veterinary-Surgeon Davies had been offered a cheque for about 1,300 dollars by a dealer in Texas whose name, I think, was Steger, and that he refused it. I heard that Veterinary-Captain Smith asked Steger for this cheque, but Steger sent it to Davies as he (Davies) had examined the bunch of mules, and not Captain Smith.

75. What is your opinion of the present system of collecting and shipping horses at the port of embarkation; is it satisfactory?—There has been a great improvement since I was first employed by the Remount Department in April, 1900. The first yard was exposed and had not enough cover for the horses; it was at the "slaughter-house." The second yard at the "abattoir" had plenty of cover but was inconvenient for shipping. The present yard at "Chalmette" is satisfactory in every way, and ships come within a quarter of a mile of the yard.

76. Were you employed in examining animals?—Not at all.

New Orleans, 27th March 1902.

We inspected the embarkation of horses on the "Hydasper," late "Manchester Port," at Chalmette. The cotton exporting wharf rented by Government for 500.00 dollars a month and terminable at a fortnight's notice on either side is suitable in every way.

The system of examining horses by the veterinary surgeon and putting them on board along chutes and

brows is very good: 1,025 horses were put on board, and 125 rejected for various reasons. They will be sent when cured of their ailments. The fittings of the ship were rough but substantial. Forage good and ample.

Water supply good, but not so convenient as on some ships, the water being collected in tubs filled by rubber pipes.

Drainage by scuppers except in the hold, where it soaks through the coal and is pumped out of the ship with the bilge water.

When the horses were all on board the ship was anchored in midstream, and the men to take charge of the horses came on board. They were at once searched and a revolver, some knives, razors, spirits, &c., taken from them.

They were a low class and did not appear to have any knowledge of horses, receiving 15.00 dollars for the voyage. It would be better to employ soldiers or trained cattlemen.

On our way to Chalmette we visited the former corral and embarking place at the "slaughter-house." It was not at all suitable, but the best obtainable as the present wharf was not to be let.

New Orleans, 29th March 1902.

We visited the corrals and sheds at Chalmette, where the horses and mules are kept for a few days before embarkation.

Chalmette is about 7 miles down the Mississippi below New Orleans, and the enclosures with the wharf are rented for 500.00 dollars a month.

There are about 81,250 square feet of sheds with a roof only. 70,200 feet of sheds with roofs and walls, and 12 acres of yards. There is accommodation for about 3,000 animals; a railway siding connects direct with the line of railway.

The buildings consist of large barns, which are divided into pens, and of smaller ones with side walls, which are used for hospital, stores, &c.

The wharf is about a quarter of a mile from the sheds; it is connected with them by a fenced road which leads to the pens and chutes on the wharf.

The animals are fed by the officers of the Commission, and get 7 lbs. oats, 5 lbs. bran, 2 lbs. maize, 12 lbs. hay, at a cost of 25 cents a head.

The number of animals in the corrals, &c. to-day were as follows:—

Horses, 1,059: Of these, 235 sick.

Mules 1,140: " 20 "

Every animal is inspected by the veterinary surgeon once a day for glanders, colds, lameness, &c., and if necessary, the Mallein test is applied.

The pay of the establishment for the week ending March 28th was 854 dollars 50 cents, which is rather higher than the average.

Civ. Vet.-Surg.
J. T. Crosby,
M.R.C.V.S.

2 Apr. 1902.

Civ. Vet.-Surg.
J. T. Crosby,
M.R.C.V.S.

2 Apr. 1902.

The officers employed at New Orleans and Chalmette are: Captain Fenner, 7th R.B., Senior Staff Officer, Captain Eden, late R.N., Embarkation Officer, Lieutenant Cotton, Superintendent of Corrals, Lieutenant Aspinwall, Supply Officer, Mr. Davies, Principal Veterinary Officer.

There are also three assistant veterinary surgeons and some officers waiting to take their turn as conducting officers on the transports.

New Orleans, 1st April, 1902.

We inspected the embarkation of mules on the "Yeddo" Weir Line, Elder-Dempster, Agents.

The system of embarking was similar to that used for embarking horses, and was excellent; 1,000 mules

were put on board. Mules, being more tractable than horses, are examined by veterinary surgeons in the yard before being driven along the "chutes"; 10 were rejected (being only one per cent.), 4 for nasal catarrh, 4 for hairless patches, 2 lame.

Forage, good and ample. Water. Hardly sufficient fresh water can be carried, and too much condensed water has to be used. Drainage, similar to the "Hydaspes."

The muleteers were taken on board after the mules were all on, the ship being anchored in midstream. They seemed to know their work, having made several trips before. It was reported that they vary very much in different ships. If they like a ship they will go in her again. The fittings were rough but substantial.

30th March 1902.

7th Witness:—Colonel U. DE BURGH.

Col.
U. de Burgh.

30 Mar. 1902.

77. When did you join the Commission?—14th November 1900. I did not take charge of the Commission until about 15th December, 1900, when I took over charge from Captain Marsham. I came here under the orders of the Inspector-General of Remounts to assist Captain Marsham, and subsequently received orders, direct from the Secretary of State for War, to take charge of the Commission. The number of horses purchased was largely increased.

78. On your arrival in the country did you find that the intention of the Government to purchase horses had been widely made known?—Yes. To the best of my belief through the ordinary trade channels. The method of obtaining horses was the only one available at the time. The results were not entirely satisfactory to me in the class of horse obtained.

79. What steps did you take, this being your opinion?—I found the prices fixed. I was met with large orders, from home. I set myself to work to raise the standard. The prices I found were:—Cavalry, 125 dollars or 110 dollars; S. A. Police, 95 dollars; cobs, 85 dollars. In order to make the prices more elastic, I introduced for cavalry from 100 dollars by 5 dollars rise to 125 dollars. I subsequently, about June 1901, reduced the extreme price to 100 dollars, the price of cobs remaining the same.

80. How did you set to work to find out prices?—As soon as I took command of the Commission, I attended auctions at which I saw horses sold from 60 dollars to 70 dollars, which would have been absolutely unsuitable for our work. (I will hand in a letter at Kansas City on this subject.) I studied the consular reports derived from the Bureau of Agriculture at Washington. I studied the market reports, which are, as I now know, misleading. I made private inquiries. I also ascertained the prices being paid by the American Government. In the summer 1901, the Cavalry class was abolished. March 4th, 1902, the height was reduced to 15—1.

81. When the standard was reduced in 1901, was the price reduced?—Yes. I made a class of cobs only, 14—3 to 15—1, with prices 14—3 to 15—0, 85 dollars; 15 to 15—1, 100 dollars. The prices being contingent on the quality.

82. Did you find a system of contracts? have you carried on the contract system?—I have no knowledge of the system prior to my taking charge of the Commission. I abolished the word contract and dealt with the open market.

83. Now that you have reduced the standard to 14—1, have you been able to reduce the price?—Yes. Lord Kitchener telegraphed through the War Office on 25th February, wanting smaller horses if possible. "The bigger horses, however good of their kind, not being what we require." To which I answered on 26th February that the market was greatly denuded of small strong cobs, and I could not guarantee to supply 500 a month, but would try. The western dealer met the reduction of 3 inches in height with an offer of 70 dollars for cobs, 14 to 14—3, but could not guarantee any numbers. There still, therefore, remains three classes:—Class A., 15 to 15—1 at 100 dollars; Class B., 14—3 to 15, 85 dollars; Class C., 14 to 14—3, 70 dollars.

84. What arrangements did you find and have you made for the purchase of mules?—I heard on arrival

that the price of mules was 80 dollars. I got my first order to furnish mules in January 1901. In my opinion, the mule previously furnished was dear and bad, also much too small. I saw samples and declined to buy. I chose the pattern of mule I thought suitable, and invited a quotation of price in Kansas City and St. Louis. The price quoted for my specification was 100 dollars, and I agreed. Somewhat later I fixed a second class of the same mule at 90 dollars. In 1901 the mule dealers formed a Mule Trust, with a view to forcing me to pay up to 125 dollars. I never paid this price, but in order to complete the ss. "Kelvingrove," which sailed on July 20th with 1,000 mules, they drove me to pay 115 dollars, and to my knowledge in one particular case, the dealers kept 1,000 suitable mules out of the market in order to force me to surrender. I told the dealers that I should recommend the Government to get the mules elsewhere, and upon this one firm, Messrs. Guyton and Harrington, broke from the Trust, and offered to supply mules at 95 dollars and 85 dollars, with a monopoly for three months in the Central States, Texas excluded. This I accepted, and the arrangement being satisfactory, is still in force.

85. Considering the urgent demand from Government for the large supply of horses for South Africa, do you think any other arrangements could have been made?—From my experience in this country I believe the prices were not excessive. My first idea was to obtain horses and mules in accordance with the pressure of the demand. My second to obtain them as economically as possible. My experience leads me to the conclusion that the Government is fortunate in having obtained them at the price, which is 92 dollars and 33 cents a head for 89,799 horses, purchased up to January 31st, 1902. The average price of every animal on board ship at New Orleans is under 110 dollars. This includes every item of expense, officers' allowances, travelling, &c.

86. Are you satisfied with the conduct and zeal of the officers subordinate to you?—I am perfectly satisfied in every particular with the officers I have kept in the Commission.

87. Will you be good enough to state the exceptions?—Veterinary Lieut.-Colonel Rayment, A.V.D., removed from the Commission for drunkenness and insubordination. Civil Veterinary-Surgeon Brownrigg for drunkenness and reported threatening language. Veterinary-Captain Smith deserted, Captain Maudslay and Civil Veterinary-Surgeon Hawes, returned to England for an error of judgment in purchasing for their own use branded Government horses, and shipping them to England. Captain Maudslay, in addition, failed to accommodate himself to my views in the question of Government work. Captain Champion, 21st Lancers (a conducting officer) for gambling and incurring large debts in New Orleans. All these cases have been fully reported to the War Office.

88. Can you give any details about Captain Smith receiving bribes?—On taking charge of the Commission I found that Veterinary-Captain Smith was in difficulties, having been accused of taking bribes. Captain Fenner can give evidence as to the origin of the charge. I reported the circumstances home, and

the Secretary of State ordered that Veterinary-Captain Smith should, by an action for defamation, clear his character in the Law Courts of Louisiana. While awaiting this decision, I had removed him from the Purchasing Staff. On receipt of the Secretary of State's orders, Captain Smith deserted.

8th Witness :—Captain R. L. FENNER, 7th R.B.

91. What is your appointment here?—I am Staff Officer at New Orleans. I arrived here in April 1900, and took over my present appointment about a year ago, when Captain Marsham went to England. Under the orders of Colonel de Burgh, I am in charge of the finance and depôt generally.

92. Can you give us any information about a report that Veterinary-Captain Smith received bribes?—In consequence of an accusation made by a dealer, a Mr. Steger, of Bonham, Texas, in October 1900, against Veterinary-Captain Smith, that he had been receiving bribes, Captain Marsham held an inquiry. Captain Marsham, myself, and Civil Veterinary-Surgeon Davies were present when Captain Marsham asked Mr. Steger some questions. I am unable to give a list of these questions, but Mr. Steger acknowledged that he had given Veterinary-Captain Smith a commission of from two to five dollars a mule, and that other dealers had done the same. At that time Mr. Steger stated that if Captain Marsham would go himself or send an officer to Bonham, Texas, he would give them proofs. I went to Bonham, Texas, at Captain Marsham's orders, and had an interview with Mr. Steger at his private office; in the beginning of November. He then informed me that he had changed his mind, and declined to give me any information. He said that he did not intend to take any more contracts, and did not think it worth while to rake up this accusation against Captain Smith. I hand in a private and confidential letter from Captain

89. In other respects do you think Veterinary-Captain Smith was an officer suitable for this work?—No, except under the closest supervision.

90. Do you wish to mention any officer for zeal or energy?—Where all have worked so well it would be impossible for me to make any distinction.

Smith to Captain Marsham,* dated 19th November 1900, to the effect that Mr. Steger had withdrawn all charges against him. With reference to this, I beg to state that I understood from Mr. Steger that he did not withdraw the charges, but merely did not intend to take any further action in the matter. Mr. Steger's bank at Bonham was the Fannin County Bank.

93. Has the conduct of any other officer been brought to your notice?—Of no one.

94. Do you know anything about Civil Veterinary-Surgeon Knight?—Yes. He was examining horses with Captain Fife in Texas. On Captain Fife's recommendation he was removed and sent to South Africa.

95. During the time you have been in the Remount Department what have been your allowances?—The pay of a captain of infantry and the remount allowance of 2l. 15s. a day. From December 26th, 1901, to February 5th, 1902, my allowance was cut down to 1l. per diem from 2l. 15s. This was during the time I was on sick list. During this time I was paying a nurse 25 dollars a week, a doctor 75 dollars, and another doctor who has not sent in his bill—it will be about 25 dollars; and a chemist's bill of 15 dollars. All this time I was laid up in a hotel, and paying for a room at 3½ dollars a day. In addition to this, I had to pay for my nurse's meals, about 2 dollars a day.

* Appendix "A."

9th Witness :—Captain W. G. EDEN, late R.N.

96. When did you join the Remount Commission?—March 1901. The arrangements now in force are those which I found when I came here, with the exception of small details, such as putting horses over hatches, scuppers, cattle doors. These changes were approved by Colonel de Burgh and carried out.

97. From your experience as Embarkation Officer, have you any suggestions to make?—None as regards fittings. Now that the ships retain their fittings for more than one voyage, we are able to improve them, and to make gangways in rear where the space allows.

98. Do you consider it advisable to have ships of a large tonnage to carry animals?—Yes, on account of the amount of water they can carry, in addition to many other advantages.

99. Have you any suggestions about forage?—Ships are sent here chartered to travel 12 knots, and they only make 10 knots. They thus have to be foraged in accordance with their previous log and not the charter, or they would run short. I recommend that all forage over on arrival at Cape Town should be destroyed in the presence of the Conducting Officer or handed over to the troops, to prevent any being brought back.

31st March 1900.

10th Witness :—Civil Veterinary Surgeon W. R. DAVIS.

100. When did you join the Remount Commission?—I came out with Captain Fife in March 1900 for the British S.A. Company, and went home in April 1900. I came out again in July 1900, since which time I have been employed as Principal Veterinary Surgeon at New Orleans.

101. Are the general arrangements for the care and feed of animals and for veterinary treatment to your satisfaction?—Yes, completely, and the forage is good.

102. Can you give the percentage of rejections of animals shipped on the "Hydaspes"?—Roughly, 10 per cent., which is the highest we have had. The principal reasons were skin irritation with loss of hair, ordinary colds, strangles, lameness, wounds, and bad condition. These horses will all recover, and be sent later on. I do not think we have had more than half this before. The greater number were suffering from slight skin irritation, and it was not desirable to put them on board ship.

103. It has appeared in evidence that on one occasion a dealer offered you a cheque for examining mules, which you very properly refused. Can you tell us anything about it?—I went with Captain Fife to examine 300 mules which he bought from Mr. Steger, Bonham, Texas, in March 1900. On 22nd October 1900 Mr. Steger came to me in the St. Charles Hotel, New Orleans, and asked to have some private conversation. He told me that he was in the habit of paying Captain Smith 5 dollars for every mule he purchased from

him. He also said that Captain Smith now demanded 1,500 dollars for the 300 mules I had examined for having put the contract in his way. Steger said if the cheque belonged to anyone it belonged to me or to Captain Fife. He told me that Smith had prevented him getting a contract through his not paying him the 1,500 dollars. I disclaimed any wish for the cheque. Steger stated that every man who sold mules which were bought by Captain Smith gave him 5 dollars a head. He also stated that Smith was in partnership with a man named Hicks, and that he was examining his own mules when they were bought from Hicks. The following incident convinced me that Steger's assertion in this respect was true. About the end of October 1900, 1,410 mules arrived here, some from Dallas, Texas, provided by Hicks, and some from Kansas City. These mules were to be shipped on the "Monarch." I found that they were a very bad lot, especially those from Hicks at Dallas, and reported this to Captain Marsham in a letter* dated 30th October 1900, a copy of which is attached. On 22nd October 1900, I had an interview with Mr. Steger, and put all of his statements with reference to Captain Smith on paper, and he signed them in my presence. This document I gave to Captain Marsham on 23rd October 1900, and he has not since returned it to me. I asked Steger what proofs he had, and he told me that he had frequently sent large sums of money to Mrs. E. M.

* Appendix B.

Col.
U. de Burgh.
30 Mar. 1902.

Capt.
R. L. Fenner.

Capt.
W. G. Eden.

Civ. Vet.-Surg.
W. R. Davis.
31 Mar. 1902.

Civ. Vet.-Surg.
W. R. Davis.
31 Mar. 1902.
Smith in England, and that he was willing to show his banking account. I hand in a letter* from Mr. Steger to myself, dated December 1st, in which he enclosed a letter from Magee, dated November 6th, a friend of Smith's and a contractor then for forage for the animals here. In this letter Magee advises Steger to go to Kansas City to meet Smith. This he did, and the result was that he changed his mind. I hand in a letter,† dated 30th October 1900, from Mr. Steger to myself, written shortly after his return from here, which shows that he was then willing to give evidence against Captain Smith. A very few days after the 23rd October 1900, when I reported

this matter to Captain Marsham, Captain Marsham went to Kansas City and St. Louis to make inquiries from Sparks Brothers and Maxwell and Crouch, whom Steger had accused of giving commissions to Smith. These firms denied it. In my opinion, had Captain Marsham gone to Bonham, Texas, at once he would have found out all about it from Steger himself.

104. Can you say if Captain Marsham received your report, dated 30th October 1900, before he left for Kansas City?—I cannot say for certain.

* Appendix C.

† Appendix D.

Col.
U. de Burgh.

Colonel U. DE BURGH recalled.

105. It has come to our notice that when Captain Fenner was laid up with typhoid fever, the result of his labours in the Remount Department here, the Finance Department, reduced his allowance to 1l. a day from 2l. 15s. Can you give any explanation?—I have represented this and similar cases more than

once. I think this very hard, particularly in the case of the Purchasing Staff, who are liable at any moment to be severely injured.

106. Do you consider that the allowances received by the Staff sufficient?—Yes, now they receive 2l. 15s. a day.

Kansas City, April 8th, 1902.

Col. Ulrick G.
C. de Burgh.

Colonel ULICK G. C. DE BURGH.

8 Apr. 1902.

107. Do you consider the arrangements for transporting mules to South Africa in all respects satisfactory?—No. I have reported to the War Office that the arrangements could have been made much more satisfactory than those which have obtained. The present system is that the shipping agent is obliged to find one horsekeeper for each 15 horses and one mulekeeper for 20 mules, out of which we select the foreman—one foreman to every 15 or 20 men. The system under which the shipping agents obtain their men is one which it is difficult for them to improve upon. They go to the person who is known as the "boarding-master," who supplies them with engineers, deck-hands, &c., and it is from these men they necessarily engage the muleteers. We call all men, whether in charge of horses or mules, muleteers. The object of the shipping company is obviously to keep down expense as much as possible. The amount they pay the men is 15·00 dollars and their keep for the trip and return journey. They have some opportunities for earning money on the return trip in cleaning the ship. They are not allowed to land in South Africa, and they are kept under very strict supervision. They make from time to time—as I believe, most unjustly—great complaint about their feed—which complaints are actively taken up by Boer sympathisers and directed against the British Government, when they do not know that the British Government has nothing to say about these men. I have carefully inquired from unprejudiced persons and found that even if the wages of these men were quadrupled it would still have no effect in getting us a better type of men, in as much as the extra profit would go into the hands of the boarding-master. This, I understand, is a well-known trade arrangement which it seems impossible to circumvent. The men are not of the best character, and absolutely inefficient as concerns the keeping of stock. I have heard of them as coming from all sorts of trades—boiler makers, arsenic makers, plumbers, and everything except horsekeepers. At the beginning of our operations it was impossible to do better under the circumstances. Later on and at present we have a far more satisfactory staff of men employed, although the arrangements for their engagements are made in precisely the same lines. Many of these men have been on several voyages and been well cared for, and by a certain amount of consideration shown to them by the conducting officer and

officials of the ship have been able to make a little money, more than they engaged to receive, so I look upon the arrangements as at present conducted as having developed into as satisfactory arrangement as the conditions will permit. If I were called upon for suggestions upon the subject of the "Conducting Service," I should say, roughly, that the Government stock should always be carried in the same ships, to which could be attached 10 or 15 permanent hands who would act as foremen on the voyage. For choice I would select these permanent hands from seamen "blue-jackets" in the British Navy, all serving under a trustworthy and tried warrant officer or non-commissioned officer in the Army, as head foreman. The assistants might then be gotten in the same manner through the shipping agents, and would be at all times under control, and save the risk of mutiny—in my opinion—with which we have had more than once to deal. I cannot overrate the importance of having the foremen trained seamen in view of the natural effects on landsmen of the first week at sea. On the subject of the relative economy of purchasing or hiring a fleet of transports, valuable figures (which I have heard) could be obtained from the United States Government.

107a. Can you give us a copy of your instructions to conducting officers?—I can, sir. I think I have a copy.

108. Are you satisfied that the orders to the conducting officers are all that is necessary?—Yes, so far as my experience goes. The orders that are now in force are in advance of the orders which were originally issued from the War Office, based upon information which we gained by experience, and have been compiled locally.

108a. Do you consider the arrangements for the protection of ships from fire satisfactory?—Yes, but I have objected on many occasions to the lighting of ships by candles, which is at present specified and included in the charter. I encourage the agents in the use of electric light, and in the ships which have been frequently employed this has been done. When candles are used I have no power to object as it is in the charter, but I lay down stringent rules as to where the candles are to be lighted, and when and under whose supervision. They are all lighted in one part of the ship and taken to their places for the night.

1st April 1902.

Civil Veterinary-Surgeon W. R. DAVIS desires to be recalled.

Civ. Vet.-Surg.
W. R. Davis.

1 Apr. 1902.

109. What statement do you wish to make?—I wish to correct my answer to Question 103. I stated that Mr. Steger signed a paper in which I had written all of his statements with reference to Captain Smith, and that I gave this document to Captain Marsham. This

is not the case. I hand in the document referred to, Appendix E. It is not signed by Mr. Steger.

110. Did you tell Captain Marsham your opinion that Mr. Steger's statement was true?—Yes, on the 23rd October 1900.

11th Witness:—Mr. M. Warrener, Agent, Messrs. Elder-Dempster and Co.

111. We understand that you represent here the shipping company which has had most to do with the operations of the Remount Department at this port. Would you be so good as to tell us whether the officers here have been entirely satisfactory to your firm?—Entirely so. Of course in the matter of business there have been occasions when the military officers and I may have held different views regarding the shipping

of remounts. I have always found the officers most willing to meet me in any matter so long as they were enabled to carry out their duties. Our relations have always been cordial, and if I may be allowed to say so, the officers have always carried out their duties with an earnestness which I notice is usual to the British officer. They never spare themselves any trouble or work.

Mr.
M. Warrener.
1 Apr. 1902.

St. Louis, 4th April 1902.

We visited the corrals of Messrs. Campbell and Reed at Balleville, 6 or 7 miles from St. Louis, and saw horses purchased by Major Powell, 5th Warwick Regiment. We saw 17 horses purchased and three rejected. They averaged 14-3 in height, and the average price 95 dollars. Cobs under 14-3 not being obtainable for 70 dollars in this district. Horses purchased are kept by the dealer at 35 cents a head until a sufficient

number are collected for a train load; they are then shipped to Lathrop. The sheds, corrals, &c., of Messrs. Campbell and Reed are very suitable for this, and the forage and water good. The majority of the horses purchased were from seven to nine, and were in hard working condition. They were a very good class of horses for the work.

12th Witness:—Messrs. CAMPBELL and REED.

112. How long have you supplied horses for the British Government?—About a year now. We have supplied from 6,000 to 10,000 in that time.

113. Where do you purchase your horses?—In the surrounding district, without interfering with the other dealers in the west. A great number of small horses are used in this district for cotton culture. A good number are bred here, and many brought from the west for this purpose.

114. Can you give us an idea of your profits?—The prices have been reduced from 95 dollars and 125 dollars to 85 dollars and 100 dollars, which has reduced our profits. We now calculate that we make 5 dollars a head clear. The average price of to-day's sales is 95 dollars, which is about the usual average, and shall be very pleased to show you our books if you wish to see them.

Messrs.
Campbell and
Reed.
4 Apr. 1902.

13th Witness:—Mr. GITTEN, of Gitten and Heiman Co.

115. We understand that you wish to see us with respect to the supply of mules to the British Government. Will you kindly tell us what you wish to say?—From the commencement of the war to the spring of 1891 my firm, as well as other firms of equal standing, were in the habit of supplying a proportion of the mules which Messrs. Maxwell and Crouch and Messrs. Guyton and Harrington supplied. In the spring of 1901 the smaller firms were thrown over by them, and now Messrs. Maxwell and Crouch and Messrs. Guyton and Harrington have the business in their own hands. In October 1901, I asked Colonel de Burgh to give me a contract, but he did not comply with my request. I

offered mules at 85 dollars, and subsequently at 75 dollars.

116. Can you tell us the names of the officers who purchased mules from you?—Major Scobell, Captain Smith, Captain Marsham, and subsequently Colonel de Burgh.

117. Have your dealings with the officers been quite satisfactory?—Quite. All the money transactions took place through Messrs. Maxwell and Crouch. I did hear that Captain Smith received some money as commission in Texas.

Mr. Gitten.

14th Witness.—Mr. CROUCH, of Messrs. Maxwell and Crouch.

118. We understand that you have supplied a large number of mules to the Remount Department here. Will you kindly give us full account of your dealings?—I have had dealings with all the officers who have been purchasing here since the commencement of the war, in the way of supplying mules. I heard some reports that Captain Smith was accused of receiving money for examining mules in Texas, but my dealings with him were quite straightforward, and have been with all the officers. The price of mules at first was

75 dollars, but it has gradually gone up to 100 dollars, owing to so many mules having gone out of the country. The value of all mules has gone up 20 per cent. in the last year. There is now an extraordinary demand for mules for mines, railways, and all sorts of business, and I do not think the supply will meet the demand in a year or two, apart from the war. My profits have not been at all excessive, as I ascertained from making up my books at the end of last year.

Mr. Crouch.

15th Witness.—Major G. R. POWELL, 5th Battalion Warwickshire, Purchasing Officers at St. Louis.

119. You express a wish to come before our inquiry. Would you state what you wish to say?—I wish to lodge a protest officially before the officers of this inquiry against the reports which have appeared in the newspapers of debates in both Houses of Parliament, on what are publicly called the Remount scandals.

120. Have you seen any remarks of the nature you suggest against yourself personally, or against the North American Remount Commission, of which you are a member?—I have not seen any remarks against

myself personally, nor against the North American Commission; but my friends at home have told me of the remarks in the papers, which include all the officers serving on the several operations in the Remount Department now being carried on in connection with the war in South Africa in many parts of the world, and I beg leave to state that to both myself and all other officers these remarks have caused much pain, knowing as we do that they are entirely undeserved.

Major
G. R. Powell.

Kansas City, 5th April 1902.

REPORT ON LATHROP DEPÔT, 5th APRIL 1902.

The Lathrop depôt is maintained for the purpose of inoculation of all horses and mules preparatory to shipment at New Orleans, and for affording opportunities for bringing the animals into suitable condition for embarkation.

The operations are very extensive, and two large barns have been constructed at about 2 miles apart,

one to the north-east, and the other to the west of the railway track, in the centre of two farms, rented by the contractors, Messrs. Guyton and Harrington. Messrs. Guyton and Harrington have erected these barns at their own expense, and they comprise every convenience and a facility for inoculation, treating of sick, and feeding animals, whilst at the depôt. Machinery has

5 Apr. 1902.

6 Apr. 1902.

been introduced whereby with a minimum of labour the grain is carried to the grannaries, and from thence conveyed to the troughs which supply the animals. The motive power being a 28-h.p. gasoline engine.

The animals, on first reaching the depôt, are kept under cover and examined daily by a veterinary surgeon. After having recovered from the effects of the journey, sometimes upwards of 1,000 miles, they are inoculated, and having been kept under observation and examined daily until pronounced free of infection, they are kept in paddocks on the farms until required for shipment. There was no grass in the paddocks when we visited the depôts, so every particle of food had to be carried to the troughs in the paddocks.

Water is abundant from various wells in the vicinity, and is raised by windmills* and carried to the troughs through pipes. Water is laid on throughout the barns and distributed to the troughs.

The principle on which this depôt is worked is, that Messrs. Guyton and Harrington receive from the Government 35 cents. per diem for every animal at the depôt, and they maintain the depôt entirely, erect the buildings, which are entirely of wood, supply the animals, both in the barns and in the paddocks, with food and water. The Remount Officers have no responsibility in connection with this, except to satisfy themselves that the animals receive their proper ration of corn and hay, which is practically unlimited.

Messrs. Guyton and Harrington own the farms on which the barns have been erected, and they have rented others in the vicinity on which the animals graze. Some of these farms are as far as 4 and 5 miles away from Lathrop, and food and hay is carried to these farms from Lathrop.

The officer in executive charge is Vet.-Major Moore, A.V.D., who has under him as assistants: Vet.-Major Rowe, C.V.S. Reed, C.V.S. Borrowman, A.C.V.S. Uber, C.V.S. Bassele, C.V.S. Patterson, C.V.S. Machan, C.V.S. Cartwright. There is also a Superintendent of Corrals, and Railway S.O., Captain F. C. Gray, Imperial Yeomanry, 2nd Lieutenant Caldwell, Northumberland Militia.

There are also 24 cowboys and farriers for rounding up, entraining, detraining, &c.

THE KANSAS CITY WORLD.

Tuesday, 3rd January 1899.

	\$	\$
Horses, saddlers, ordinary to good -	25 to	50
" " extra -	50	150
" Southern -	25	50
" Western range -	10	30
Mules, 14 to 15 hands, 4 to 7 years -	30	50
" 15, 15½, " " -	60	75

Saturday, 13th May 1899.

Horses, saddlers, ordinary to good -	38 to	68
" " extra -	48	142
" Southern -	18	42
" Western range -	8	22
Mules, 14 to 15 hands, 4 to 7 years -	35	65
" 15, 15½, " " -	60	75

Wednesday, 20th September 1899.

Horses, saddlers, ordinary to good -	40 to	75
" " extra -	40	135
" Southern -	20	75
" Western range -	10	25
Mules, 14 to 15 hands -	37	67
" 15, 15½, " -	62	77

Friday, 16th December 1899.

Horses, Chunks, good to choice -	60 to	80
" " common to fair -	40	60
" Southern -	25	60
" Range -	15	40
Mules, 14 to 14½ hands -	40	50
" 14½, 15, " -	50	65

* And in case of failure of wind, there are small gasoline engines at the mills to take its place.

Friday, 16th February 1900.

	\$	\$
Horses, Chunks, good to choice -	55 to	100
" " common to fair -	40	60
" Southern -	20	65
Mules, 14 to 14½ hands -	40	55
" 14½, 15, " -	55	70

Saturday, 21st April 1900.

Horses, Chunks, good to choice -	85 to	100
" " common to fair -	65	80
" Southern -	35	70
Mules, Fat and broken, 14 to 14½ hands -	50	60
" War, 14 to 14½ hands, 5 to 10 years -	50	60

Friday, 23rd June 1900.

Horses, Chunks, good to choice -	90 to	125
" " common to fair -	75	85
" Southern -	30	55
" Range -	10	42
Mules, War, 14 to 14½ hands, 5 to 10 years -	55	65
" Fat and broken, 14 to 14½ hands -	45	55

Thursday, 6th September 1900.

Horses, Chunks, good to choice -	90 to	125
" " common to fair -	75	90
" Southern -	30	60
Mules, War, 13½ to 14½ hands, 5 to 10 years -	45	55
" Fat and broken, 14 to 14½ hands -	50	65

Thursday, 6th December 1900.

Horses, Chunks, good to choice -	75 to	90
" " common to fair -	40	55
" Southern -	20	75
Mules, War, 14 to 14½ hands -	55	60
" Fat, " " good, fair -	60	75
" " 14½ to 15 hands -	70	90

Monday, 4th March 1901.

Horses, Chunks, good to choice -	80 to	100
" " common to fair -	50	75
" Southern, extra -	60	90
Mules, 14 to 14½ hands, 4 to 8 years -	50	65
" 14½, 15, " " -	70	90

Monday, 3rd June 1901.

Horses, Chunks, good to choice -	75 to	100
" " common to fair -	45	70
" Southern -	40	60
Mules, 14 to 14½ hands, 4 to 8 years -	40	55
" 14½, 15, " " -	70	90

Wednesday, 23rd August 1901.

Horses, Chunks, good to choice -	70 to	115
" " common to fair -	45	65
" Southern -	35	60
Mules, 14 to 14½ hands, 4 to 8 years old -	40	50
" 14½, 15, " " -	50	70

Tuesday, 10th December 1901.

Horses, Chunks, good to choice -	70 to	100
" " common to fair -	37	72
" Southern -	45	65
Mules, 14 to 14½ hands -	35	45
" 14½, 15, " -	40	70
" War -	55	70

Friday, 4th April 1902.

Horses, Chunks, good to choice -	95 to	120
" " common to fair -	65	90
" Southern -	50	75
Mules, 14 to 14½ hands -	35	45
" 14½, 15, " -	45	75
" War -	35	70

7 Apr. 1902.

Kansas City, April 7th, 1902.

Colonel J. G. Stowe, late Consul-General, South Africa, begs leave to come before the Commission and to make the following statement:—

As late Consul-General in South Africa, and having been the first to bring to the notice of Lord Roberts

the supply of mules in this country, I beg leave to state that when Colonel de Buggen came here he employed Messrs. Guyton and Harrington to supply mules, who purchased mules from the other dealers in the city.

When Messrs. Guyton and Harrington were able to supply sufficient mules themselves, they threw over all the other dealers and became the only firm supplying mules. The other dealers feel this very much, as they are prepared to provide mules at from 2½ to 4½ less than the price Messrs. Guyton and Harrington are now receiving. I, myself, am not a mule dealer, and am only interesting myself on behalf of my fellow citizens. As they are fellow citizens of mine, I take an interest in the matter, and am of the opinion that the British Government are paying a higher price than is necessary for mules and horses.

121. Will you give us the names of the dealers whom you refer to?—Sparks Brothers' Mule Company, Conway Brothers, Robertson Brothers, Winslow Brothers, Tough and Son, all of Kansas City, Mo. These dealers have reported their case to the War Office.

16th Witness:—Colonel DE BURGH is recalled, and the hereto, is shown to Colonel DE BURGH with reference to what he wishes to state.

122. (A.)—In Colonel Stowe's evidence, in the third paragraph beginning "When Messrs. Guyton and Harrington were able to supply sufficient mules, they throw over all the other dealers," I notice that that was the occasion on which they withdrew themselves secretly from the "Trust" which had been formed. Further on I notice several names of mule dealers, at whose instance Colonel Stowe furnishes his evidence. I bring forward a report of mine to the War Office, written on the 6th of April on the same subject. The names in Colonel Stowe's evidence tallies mainly with the names which are mentioned in the War Office letter. The one exception is that of Messrs. Tough and Son. Not having adverted to this firm in the War Office letter, I wish to say that Messrs. Tough and Son were largely employed to supply horses previously to my arrival in this country. I continued to deal with them from December until March or April—April 9th, I think it was. Their exhibits were so bad, that on my invitation to furnish a better class of horses, to endeavour to meet the needs of this Commission and to refrain from showing horses eight times running, they dropped out of the market, as we thought at the time, evidently anticipating that the needs of the British Government were fast coming to an end. This firm had large dealings with Colonel Stevens. During the time of my dealing with this firm I invited Captain Tough, the head of the firm, to supply mules on the specifications which had been referred to in my Answer, No. 84, but he took no steps, and to my mind, judging from the reports of my officers, Major Powell and Captain Heygate, the firm was obviously much dissatisfied and proposed receding from the business. So far I dealt with this firm mentioned by Colonel Stowe. On the morning of April 6th I received a letter from the War Office, calling for a report on the enclosure. The enclosure consisted of a "round robin," signed by the firms of Conway, Winslow, Cottingham, Robertson, and Sparks, all mule dealers in Kansas City, Missouri, and addressed to the Secretary of State for War, protesting against my action in not giving them Government orders, and attaching numerous papers signed by presidents of banks to vouch for their standing. In general my answer to the Secretary of State was as follows:—There was one marked paragraph which stated I would buy no more in the market, which is untrue; that the firms quoted were all in combination at the time of the forming of the mule trust; that the firms were all concerned in the matter affecting Veterinary-Captain Smith; that the Guyton and Harrington Mule Company, having left the Trust, made an agreement with me at a price 20 dollars lower than I was then paying on certain conditions, the main of which was, that for three months they should be the sole suppliers in Kansas City, and I accepted it. The date of my report to the War Office is April 6, 1902, Contracts 116 Cape/2,520/Q.M.G./4.

123. Have you any other orders for mules with other dealers except Guyton and Harrington?—No, sir, except Mr. Hicks and persons associated with him in the Texas market. The prices there are 75 dollars and 85 dollars, Texas mules being slightly lighter. The height of the African mule is:—Class A., 14' 1 clear to 14' 3½ hands; Class B., 13' 3½ clear to 14' 1 hands. The Class B. height without shoes.

124. With reference to your reply to query 80, would you explain about the price being fixed and

Kansas City, April 9th, 1902.

7 Apr. 1902.

With reference to the interview the Commission had with Colonel Stowe, on the 7th instant, we asked him to meet us this day, and informed him that we had considered the request he had made that we should accord an interview to the gentlemen whom he named, and hear what they had to say.

We informed Colonel Stowe that on consideration of the fact that these gentlemen had already made their representation to the War Office, and as this Commission was not empowered to pass orders of any kind on the existing arrangements as were now in force for the purchase of horses and mules in North America, and having heard Colonel de Burgh's statement of the matter of the Trust formed to raise the price of mules in 1901, we did not consider it necessary to meet these gentlemen, feeling that the matter was in the hands of the War Office.

statement of Colonel Stowe, copy of which is attached to his answers to Questions 82 and 84, and he is asked Col. de Burgh.

about your attending auctions, and will you hand in the letter therein referred to?—I herewith hand you the letter referred to (Appendix F.).

125. With reference to the protest made by Major Powell against the remarks which he has heard have been levied against this Commission, have you any desire to say anything?—Yes, I support Major Powell's complaint in every particular. In this Commission we have been subjected to months of abuse and innuendo in the American press, and in every single particular instance that I have noticed, these comments have been given rise to by the English press, with amplifications. During all this time we have not heard of any public declaration having been made in Parliament, or before the public, which could be interpreted as a token of confidence and promise of inquiry. In July last I invited the Secretary of State's attention to it, denouncing the accusations as being malicious and false, and asked him to cause an inquiry to be made by the Embassy, or by a detective agency, with or without my knowledge, and I subsequently asked that my mode of life and expenditures, or advantages that might accrue to me might be inquisitorially investigated. To this I received a reply from the Permanent Under Secretary of State, written by the Secretary of State for War's desire, to the effect that the press notices were unfortunate,—were scurrilous, and no attention should be paid to them. This letter was couched in very sympathetic terms, and I replied that, at the moment, this expression was all that I could desire. In November last the word "swindler" having been used in reference to British officers, in Parliament, it was copied in large type in the American press. I then requested that this matter might be investigated on the spot, in order to ascertain whether there was any justification for the word swindler as applied to this Commission. The answer I received to that was, that General Sir Richard Stewart, being on his way to report on this Commission, for the information of the Commander-in-Chief, would hear anything I had to say on the subject. I note that the position is not understood in this country. An American officer, whose conduct or honour is impugned is immediately asked to deny by his friends, and he lays his views, in as public a manner as possible, before them. British officers have no such redress. They are obliged to keep silent under all circumstances, and in the present case we, in this country, have not been defended by anyone, to the great mortification of our friends and relations at home. I have been obliged to answer even anonymous accusations. My officers are everywhere associated with frauds which have been supposed to have taken place in totally different parts of the world, and no distinction ever made between Austria and America. Under these circumstances it is difficult to expect officers to apply themselves to their utmost capacity, and I think it is to the credit of Major Powell and the others that, although keenly feeling the position in which we are placed, and being absolutely uncertain as to whether anyone except myself trusts them, that they continue to expend themselves to the utmost in their work.

126. We informed you yesterday of the interview we had with Colonel Stowe, in which he particularly requested that this Committee should have an interview with the gentlemen—dealers in mules—with whom you

Col. de Burgh.
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have previously had dealings, but subsequently threw out on account of their actions. We are informed by Colonel Stowe that these gentlemen have complained to the War Office, and that complaint will be submitted to you for report. Under the circumstances this Committee having no powers to pass any orders on the subject in any way, our powers being limited to inquiry, we thought it advisable to tell Colonel Stowe that, under the circumstances, he having submitted the complaint to the War Office, on the action of the Commission in North America, we did not consider ourselves justified in receiving these gentlemen, or having any interview with them at all,—considering, as we did, their complaint had been submitted to the War Office, and will be dealt with by the War Office?—I have no answer to make, except to say that I have dealt with the case.

127. Recalling the substance of our conversation yesterday, we understand from the evidence of Major Scobel that he had arranged the price of mules at 70 dollars. Subsequently you state in your reply to query No. 79 that when you arrived here you found the prices fixed, and subsequently, in another part of the evidence, say you found on arrival the price of mules here to be 80 dollars, but we have no evidence before us to show how the price was raised in the interval between Major Scobel's leaving and your taking up your duties here, and we should like you to explain it to us?—I have no knowledge of the price fixed by Major Scobel, who had left the country before I came here. I can only speak from recollection. No mules were bought by me until January 1901. I inspected the stamp of mule which had been bought under the orders of Captain Marsham, and the price quoted to me was 85 dollars, which I took to be the standard price. All the papers and vouchers connected with these transactions have been sent to the War Office and been passed, and I regret to say I have no information at hand, inasmuch as none of the accounts of that period passed through my hands. When I was charged by the Home Government with the duty of buying mules, after I succeeded to the command I inspected again the stamp of mule which had been furnished, and came to the conclusion that they were so small and weak that I would not take the responsibility of buying them, though I believe the price to have been 85 dollars. To the best of my belief, reference to the papers now in the Finance Department of the War Office will show that I bought the first consignment of mules at 85 dollars. I was not fully satisfied even then and immediately had produced for my inspection the stamp of mule which, in my opinion, would be thoroughly suitable for the work. The price quoted for this mule in this country, which is known as a "small miner," was 100 dollars. The quotations were made in Kansas City and St. Louis simultaneously, and talked very fairly with the market quotations of the day. I found later on as the supply of mules was getting short and the dealers more exacting, it was necessary to raise the price 5 dollars in order to at all sustain the supply which was urgently demanded, and this price, with small fluctuations, obtained generally through the markets up to the Summer of 1901, when, as previously reported, the Mule Trust came into force. I have to add that throughout all my operations mules were obtained from Texas. The Texas mule is smaller, narrower, and better bred and purchased at Fort Worth invariably 10 dollars per head cheaper than the mule in the central market. The price in Texas stands now at 75 dollars and 85 dollars, and that price was not affected at the time of the combination in the Central States, being an entirely separate market. The mule that was sub-

mitted to me originally was in height very low. I arranged the height from 14—1 to 14—3 5/8 h.h.—the average height of the herds being 14—3 as nearly as possible.

128. From whom did you take charge; who was your predecessor?—Captain Marsham.

129. Did you ever have any conversation with him as to the price he had paid for mules?—I did not go into prices at all until I became responsible myself.

130. Did you have any conversation or correspondence with Colonel Stevens?—No, sir, I never saw him but once—in the War Office. All the purchasing done at this station immediately before my arrival was done by Captain Smith, A.V.D.

131. Is it the case that you are entirely responsible for the price paid for mules, and have no reference to make to the War Office on this point?—I am responsible for maintaining the supply and responsible for the price which I fix. In the early days of my command I once telegraphed to the War Office to say that I anticipated being obliged to pay heavily for mules, and the reply I received was that I was to use my own discretion.

131a. When was Lathrop depôt established?—Lathrop was in use for inspection purposes and for occasional inoculations in 1900. Lathrop, as it exists now, was established May 9th, 1901.

131b. What were the circumstances which rendered it necessary?—The inoculation of animals took place in former days at New Orleans; the testing was originally ordered by the War Office under circumstances of which I have no accurate knowledge and before I came to this country. Owing to climatic conditions, the insanitary state of the then corrals at New Orleans, and to the occurrence of many cases of glanders on board ship, I caused the horses to be inoculated immediately after purchase at their various inspection stations. This plan was not all that I could desire, as I thought it better that all the tests should take place under the same supervision; but we were very short handed. The arrival of Veterinary-Major Moore gave me the opportunity I desired, and the Lathrop corrals were established and placed under his supervision.

131c. If glanders was prevalent, state district or states from which infected horses came?—No horses were purchased, of course, with clinical symptoms of glanders on them, and the object of the test is to discover whether the disease may be latent. Of the casualties which occurred, there were some cases from all parts of the United States. We cannot assign any special prevalence to any district.

131d. Have you had any cases; if so, how many?—The total number of cases developed at Lathrop after testing has been 152 up to April 25th, 1902.

131e. Is the test applied to all horses and mules?—Yes.

131f. If the depôt is used for bringing horses into a suitable condition for shipping, state how long they remain there?—We desire, if possible, that animals should rest at Lathrop for about three weeks. We rarely can attain to keep them 14 days, now that the market has become so difficult, and horses and mules scarcer; but during 1901, when the supply was much more satisfactory, we could keep them from a month to six weeks. A considerable rest is on all grounds to be desired, considering the immense journeys animals have to make; and further, considering that they have to perform a further journey of 800 miles into a tropical climate before shipment.

Capt. W. R.
Bindloss.

17th Witness:—Captain W. R. BINDLOSS, 2nd Dragoon Guards.

132. You are the purchasing officer in Texas?—Yes, sir.

133. How long have you been purchasing officer in Texas?—About two and a half months. I have been in other districts previously.

134. With whom have you been dealing in Texas?—For horses with Messrs. Anson Brothers, and with Mr. Hicks for mules.

135. What prices have you been paying for horses?—For Class A., 100 dollars; for Class B., 85 dollars; and for Class C., 70 dollars.

136. And how much for mules?—85 dollars for Class A., and 75 dollars for Class B.

137. In what other districts other than Texas have you had experience in purchasing?—In St. Louis, Kansas City, and Wyoming.

138. Is the class of horse you got in Texas similar to that we see here in Kansas City and St. Louis?—No, sir, very different. You might see some Texas horses here. There is no real resemblance to the Missouri horse.

139. Describe them?—The true Texan is rather a hard, breedy horse—some a little bit light—which we do not take. They are a very breedy horse.

140. Are they bred in bunches on ranches or by the small farmers?—Mainly by farmers.

141. Corn fed?—Mostly grass—in the winter months they are fed alfalfa.

142. What is their height?—Class A., 15.1 to 15 hands; Class B., 14.3 to 15 hands; and the last specification comes down lower—the last time we took 14.1.

143. What is the price of this lower class?—B. Class is 85 dollars, and now we have the C. Class at 70 dollars, which is 14.1 to 14.2½.

144. Is the supply sufficient there?—Messrs. Anson Brothers say that for the next three months we can get 1,000 a month—possibly more if required, but that does not mean that we have to take them.

145. Then practically the supply is unlimited?—Necessarily up to 1,000 a month. I could not say beyond that.

146. How about the mules—will you give us your opinion about the Texas mules?—The height of the mules we get are—Class A., 15 to 14.1, at 85 dollars; and Class B., 14.1 to 13½. They are, I think, a very

good class of mule indeed (the B. Class are 75 dollars). They are not quite as nice-looking a mule as they have here—not quite so well fed, but a very hardy mule, and perhaps, on the whole, they do not run quite so big, but I think they are just as good for work.

147. Do you purchase all these mules from Mr. Hicks?—Yes, sir, only from Mr. Hicks.

148. The horses are always purchased from Messrs. Anson?—Yes, sir.

149. Have your dealings with these dealers always been satisfactory?—Yes, sir, they will do anything for you, obliging in every way.

150. Who has been the veterinary surgeon?—We have had several—Ranson, Wall, and Trydell.

151. They change them about, do they?—Just as convenient to the Colonel Mr. Wall went home, and then Ranson went to Major Powell, and then Mr. Sessions went home, and now we have Mr. Trydell.

152. Have they always given satisfaction?—Yes, sir.

153. Good men?—Yes, sir.

154. How many horses have you bought altogether? In Texas I mean?—About 1,800, sir.

155. And mules?—About 2,054, sir.

156. Have you any suggestions to make?—No, sir.

18th Witness:—Colonel JAMES T. SKINNER, C.B., D.S.O.

157. What is your official designation here?—I manage the financial arrangements—call it Finance Commissioner.

158. We have nothing particular in your department, but thought it would be well to ask you to come forward?—It would be just as well to tell you how I found things when I came here. When I first came in March 1901, I found Colonel de Burgh very much overworked. He was attending to this work as well as to the other work of the Commission, and using the next room as his office as well as for living, working up to three o'clock in the morning, and very much worried, and I am sure it was a great relief to him when I was able to take over the financial arrangements, which are very heavy. I found there was no real record of stock on hand from the commencement. I went down to New Orleans, and had a great deal of difficulty in finding the different accounts. In order to get the required information, by going into it myself, I was able to get a very clear account of transactions which had occurred to the 31st of August 1901, and then in September the War Office called for all returns of all animals shipped, and we were able to furnish it to August 31st, and since then we have been able to keep it up. We have had no clerk at all. Colonel de Burgh and I worked together. I have had to check every voucher that comes in and keep all the accounts. We have had no assistance of any kind. For many reasons it was undesirable to have anyone we could not depend upon entirely in the room, besides which there was not much space. When I went to New Orleans I found the accounts in an absolute state of chaos. Gradually we have been able to get things into fair order, and now we have a monthly account against each individual officer. I compile them and get off my own account about the 3rd of each month. The money comes to us in amounts of about 180,000 l. per month. Colonel de Burgh consulted me from time to time about the financial matters here and as to the hiring the fields and corrals at Lathrop, and also asked me when I went down to New Orleans to inquire into the shipping arrangements and pens, sheds, and so on, which we have leased there, and also asked me to make better arrangements. It used to cost us 5 cents a head to put horses aboard the ships, and I found the people we had been dealing with wanted to charge us 15 cents a horse. I did not like that, and went down to Chalmette and discovered an excellent wharf and good shipping accommodations, which we subsequently

hired. The shed formerly leased was a tumble-down old shed, full of holes, and mud up to the horses' hocks. Another thing I found down there, and from our accounts here, was that in former days, before Colonel de Burgh came out, our officers at New Orleans had been paying for freight from Texas at the rate of 126 dollars 50 cents, and the export rate was 56 dollars 35 cents, which subsequently came in default, so I called for all the vouchers from the War Office which affected this transaction, and made out a list and claimed the rebate—a difference of 70 dollars 15 cents per car load, and we placed the matter in the hands of a lawyer, who is investigating it, and we hope to get a large amount back. They offered to compromise for 30,000 dollars. No one of the Commission was to blame for it. After it was learned that there was an export rate, which was subsequently charged, I went in after the arrears. If we get that we shall be lucky, for it goes back to 1899. It was a large amount of trouble to get at this to make out a case for the lawyers to take up. As to our arrangements at Lathrop, I think they have been as satisfactory as we could make. I do not think any cheaper rate could have been obtained considering the work that has been done by Messrs. Guyton and Harrington in putting up sheds, fixing corrals, digging wells, &c., and I think their payment has been very moderate.

159. The payment of 35 cents per horse?—Yes, sir.

160. Will you state the expenses at Lathrop?—Civil veterinary surgeons 1,150 dollars monthly, and labour (24 men) 1,270 dollars per month, a total of 2,420 dollars monthly. I mentioned that originally we kept two accounts, one in Kansas City and one in New Orleans. We closed the account in New Orleans, and the officer in charge down there now draws upon me as he requires from time to time, and renders me a monthly account, which is incorporated with my account, and the vouchers all examined by me at the end of each month, so there is only one account instead of two.

161. Have you ever made any representations to the War Office as to needing clerks, &c.?—No, sir, I find I am able to do it, and there are many reasons why we do not wish clerks. If we had wanted them we could have had them. Since I have not been very well I have had one of the officers of the Executive Staff help me a little. It is just the first 10 days it is hardest in each month.

19th Witness:—J. D. GUYTON, of Messrs. Guyton and Harrington Horse and Mule Company, Kansas City, and St. Louis, Mo.

Col.
J. T. Skinner,
C.B., D.S.O.

J. D. Guyton.

162. Your residence is in St. Louis?—Yes, sir. I am expecting to move here.

163. Have you anything which you would like to state to us as regarding your relations with the officers of the British Army who are purchasing horses in this country?—Yes, sir, I have. I have seen a good deal in

the newspapers in regard to bribes and scandals and things like that in connection with the officers who are connected with the British Government buying stock here, and our firm has sold them a large quantity of stock—we are the largest dealers in the United States, and, of course, it is as much of a reflection on us as it

J. D. Guyton.

7 Apr. 1902.

is on the officers and purchasing agents, and I want to say that in all our dealings with these gentlemen we have never found a more honourable, high toned, and genteel lot of men. We are men of means, and it hurts our feelings very much to have such reports go out, and it is a pleasure to have an investigation made. We have found the men we have been dealing with straightforward upright men. They have been exacting and got what their contracts call for, but I like that. That is their business, and I know they appreciate me when I deliver what my contract calls for. We are a large firm and looking out for business, and we saw when this trouble broke out in South Africa that there would be something doing, and we did everything in our power to get it, and to make it to the interest of the British Government to deal with us, just as we do with anyone in our line.

154. It has come to our knowledge that after the arrival here of Colonel de Burgh that there was a certain combination. I believe it is what you call in America a "trust" amongst the mule dealers and your firm at first joined it and subsequently, I believe, finding it better for the interests of your firm, seceded from the trust, which has been the means of your having a monopoly of the business of furnishing mules in this vicinity?—I want to explain about this. Now we dealers in Kansas City and St. Louis, who are representative men and responsible, can sell 500 or 1,000 mules a day, and I went to these gentlemen to buy mules from them—while they are competitors, at the same time I do business with them—the same as in any other line of commerce, and I told them now I have got this contract for these mules, and I says to Mr. A., B., and C., as representing the capital he has in business—for instance, I says to Mr. A. now I want so many mules and will pay you so much for them. You see the small dealers had been running about and exciting prices and holding them off from the market when we needed them, and getting the price above what was the market value. I went to those men and told them that we want this trade and we do not want to run it off, and the British Government is good pay, and we want to meet this market and sell these mules. They said it was all in their hands and where were we going to get the mules, and the price must be raised. I have 150 men buying mules, for we have a big trade besides, and a large amount of money invested in our business, and I says I will get these mules and sell them, and they said I could not do it, and so I came

and made this proposition to Colonel de Burgh. I says I came to make this proposition; I will furnish all the mules and hold them up to standard if you will give your orders to us, and I have done it, and I have given him good mules. I went to my buyers all over the country and bought from the farmers and big barns, and have furnished the mules. I said I can get you better mules than anybody at your figure, but you must buy them from me, and not be having a lot of others running around and exciting the market, and I would get the mules.

165. You made this arrangement, or rather offered to take the order from Colonel de Burgh at 75 dollars and 85 dollars?—No, sir, at 85 dollars and 95 dollars—and give him 25 per cent. of A. class and 75 per cent. of B class.

166. What was the price these gentlemen—the trust—made?—It was 95 dollars and 105 dollars. I kept the price down 10 dollars a head.

167. You reduced the price 10 dollars per head, but taking into consideration the large number of mules in the country do you not think that was a rather high price?—No, sir—not on that class of mules. That is a close enough margin.

168. What do you mean by a close margin?—We try to make 7 dollars 50 cents on mules all the way through. Sometimes we "fall down." Now our feed is much higher this year, and it is a very difficult matter to make as much on mules when feed is so high. When we paid 30 cents for corn it was about half what it is now. We figure if we do not make 7 dollars 50 cents per mule we do not make a safe legitimate margin.

169. Have you been making about that from the British Government business?—I hardly think we have—on account of the high price of feed and having to carry them some time for inspection. When the Colonel inspected them last week we had 2,000 on hand. We have to have them ready. If we could feed them for 12 or 15 cents it would not cut into the profits so fast.

170. You get 35 cents for horses and 25 cents for mules, and then all the other expenses of the establishment except the cowboys?—Yes, sir, we pay all other expenses, and we have not said a word when we have had to pay 65 cents for corn and 50 cents for oats and 12 dollars 50 cents for hay, where we used to pay about half or less.

H. M. Beers.

20th Witness.—H. M. BEERS, of The Woolcott and Beers Horse and Mule Company, Kansas City, Mo.

171. Mr. Beers, you have had a good deal of business with the officers of the British Army purchasing horses and mules in this country, and we would like to know if you care to say anything with reference to your relations with them; have they always been satisfactory?—Well, we have had a very nice business with them. I am associated with Mr. Guyton, and then we have our own firm. We were the first firm that had a contract with your Government through Colonel Stevens, and we have made some money.

172. You have made plenty of money?—Yes, we used to press the button pretty hard; we do not go into a thing unless there is something in it; we are not in the business for our health. I see by the papers in this country that the contractors have been given credit for making a great deal of money; but now perhaps you would not care to have me take up your time, which I know is valuable.

173. No, I would like to hear you very much?—Well, I do not want to "throw any bouquets at myself," but I started in my business with nothing, and to-day I am free to say, without fear of contradiction, that I am the largest horse dealer in the world. I have given it my personal attention and I have a reputation at stake, and I cannot afford to be accused of bribing anyone without taking some steps to disprove it.

174. You have been furnishing horses?—Yes, horses altogether. Now when your people commenced buying horses here, there were only two or three contractors; the competition was very light and we could get a good big horse and get 85 dollars for Mounted Infantry's and 125 dollars for Cavalry. I got them all at the Mounted Infantry price, and what I put in the Cavalry I made a good profit on, so you see I have made considerable money. After awhile Colonel de Burgh came

over, and he started out to take the same class of horse as we had been putting in. Then he raised the standard, and then took off some of the price until now we are not making any money.

175. Did not Colonel de Burgh lower the standard, I mean the height?—Yes; it is not the tallest horse that is the best. He raised the standard of the horse and took off 15 dollars to 25 dollars per head until we cannot make any money. Still, that is his business, and if I cannot sell to the British Government, that is my business. I am not finding fault with Colonel de Burgh. I am a large contractor with the United States Government, and I cannot afford to let any statement go out about dividing profits, and so on.

176. Who was the officer in charge when you first commenced the business with the British Government?—Colonel Stevens.

177. Did he buy the same class of horse as is now purchased?—No; Colonel de Burgh has raised the standard.

178. How was the price fixed at 85 dollars and 125 dollars?—Mounted Infantry and Yeomanry went at 85 dollars and Cavalry at 125 dollars. I bought 400 extra good horses and showed them to Colonel Stevens, and I told him I could not sell them at Mounted Infantry prices; I could not afford it, and I think I got 90 dollars. I never had anything but straightforward business dealings with Colonel Stevens, nor with Colonel de Burgh; I made the money before he came here. I have told Colonel de Burgh that he was cutting it down so I was not making anything.

179. You furnish all the horses which the British Government purchase in this city?—Yes, sir; this is the horse centre. I have bought all the horses that have the G. and H. brand on them which you have

seen at Lathrop. I have told them I was not making any money, but as long as I could sell a horse and break even, I was willing to do it, but I would not continue it and not make any profit at all.

180. You have made money?—Yes, I have a little statement here from my books, and will show it to you if you would care to see it.

181. I would like very much to see it?—Well, it is just a little statement in regard to this business, since the 1st of last July. We make the 1st of July the end of our fiscal year, as that is a slack time of year for us, and the 1st of January is a very busy time, and so it is more convenient for us to take it off in July and start a new set. This statement shows a profit, as you will see, but there is an explanation to go with it. Now I have charged up feed at 25 cents per day when it costs about 35 cents, and that would add 10 cents per day per horse, and these rejects are worth about 40 dollars apiece.

182. This is a true copy from your books?—Yes, sir. You can keep it if you would like to; it is a true extract of that account.

183. You are still carrying on business with the British Government, still supplying horses?—Yes, sir; expect to to the end of their needs.

184. Do you find the supply keeping up pretty well?—Yes, sir, I can get the horses.

185. Can you continue to get them?—Yes, but I do not know how long I can continue to get them at the price now made.

186. As far as you can see, there is no diminution in the supply?—Well, I can get the horses. I run a very large business here; sold 600 to-day. This is a big country, and we can get horses. We might not be able to get them at the price, but we can get them.

21st Witness:—Mr. HICKS, from Texas.

188. You have been dealing with the British Government for horses and mules in Texas?—Mules entirely. It is the policy of your officers to keep the business separate, and I have been in the mule business.

189. How many mules have they bought from your firm?—From me, personally, about 10,000. I commenced first in Arkansas and then moved to Texas, because the bulk of the mules, such as you require, are raised in Texas. In fact we have only about four mule-raising states, and Texas probably raised about 40 per cent. of the smaller class, that is Texas and the Indian Territory.

190. Have you any partners in the firm?—No, sir; it is my own business.

191. Were your relations with Captain Marsham always satisfactory?—Yes, sir; he had a great idea about keeping up competition, but I never had more pleasant business relations with anyone in my life. I have been in business here with our own Government, and I have never come into contact with more agreeable gentlemen than the British officers.

192. Who were the purchasing officers?—Scobel and Marsham, and Captain Smith. They were all very hard workers.

193. Did you have any business relations with Captain Smith?—Yes; he inspected our animals. I do not believe Marsham was at but one inspection with Smith. They had so much to do they had to do it separately. Smith was in the district I was in. He was acting as quartermaster as well, and it kept him pretty busy,—had to go to St. Louis and New Orleans and here.

22nd Witnesses:—Hon. FRANCIS ANSON and Hon. WILLIAM ANSON.

198. You have been good enough to meet this Commission, and as you have had a great many dealings with the officers of the British Army who are purchasing horses, we would be glad if you can make any statements with reference to your transactions with them?—In what way?

199. Have your dealings always been satisfactory?—Yes sir, our dealings have always been very satisfactory with one exception. That was with Captain Maudsley (16th Lancers).

187. Have your relations with the British Army Officers always been satisfactory?—Yes, very satisfactory indeed. I have read reports of speeches in the House of Commons I believe you call it (we call it Congress here) where they have claimed there was collusion between the officials and the contractors, and that is why I wanted to come up here and say that I have never given a purchasing officer a five cent piece. I make that assertion and will stand by it. I have 500,000 dollars invested in my business, and have too good a reputation to be called a rascal.

H. M. Beers,

7 Apr. 1902.

STATEMENT OF HORSES sold to the BRITISH GOVERNMENT.

From July 1st, 1901, to April 1st, 1902.

Horses bought	-	4,164
Horses accepted by British Government	-	3,427
Horses rejected, dead, and sold	-	561
" " on hand	-	173
		4,164

Number days feed, 180,146
at 25 cents - 45,036 dollars 50 cents.
Account shows credit of - 14,018 " 34 "

WOLCOTT, BEERS & Co.,
H. M. Beers.

NOTE.—In submission of this account I have entered feed at 25 cents per horse per diem, but in reality, with the present price of corn, it has actually cost me nearer 35 cents. I have also made no charge for men, &c. on inspection days, which was at the rate of 1 dollar per head. This is a true abstract of my account from 1st July 1901 to April 1st, 1902.

Mr. Hicks.

194. The orders all came from Captain Marsham?—So far as my connection with them was concerned. My connection with Smith was for inspection only.

195. Did he have any interest in your firm in any way?—None whatever.

196. Have you been able to make a fairly good profit out of your business?—Why, yes; a legitimate profit. I will tell you right now, Colonel de Burgh does not allow very much profit. In the start it was different from the way it is now; then you had a few mules and sold them quickly at a good profit. Now there is a very good organisation amongst the contractors or dealers; they have their territory, and employees, and systems, so that they can get the stuff together. However, to get one car of mules represents several hundred miles of travel. Of course, it is the only way that mules or horses either could be had, for the inspecting officer could not go to every little cross road.

197. What profit have you been getting?—Well, it has varied. On the last delivery I made at Fort Worth, recently, I made 3 dollars 50 cents per head. I have some men on salary to buy mules as cheaply as they can, and another class of men I pay within 5 dollars a head of what I get, and any farmers who bring in mules, I pay within 2 dollars 50 cents a head of what I get. I consider I have a right to tax a farmer 2 dollars 50 cents, for I pay all expenses. Farmers know what mules are worth, and they want to get the market value. As a rule, when you create a demand for the farmer's produce he is going to raise the price, and it has been a good deal of trouble to keep them within bounds. We have had, in addition to this business, a large demand from Cuba and the Philippines, and other sources,—sugar and cotton mules, but there is a good supply of horses and mules, and a plenty of four-year-olds coming on.

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200. How were they unsatisfactory?—On his arrival he only took very few horses each day, saying that he was not supposed to take many. We had been led to suppose that he would purchase at least 300 per week, and in view of this had collected considerable numbers together. Captain Maudsley's purchases from us during the time he was at Fort Worth only averaged about 160 per week. Owing to this extremely slow rate of purchasing, the expenses of holding the horses were enormously increased, and practically ate up all the

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profits, so much so, that just before the time Captain Maudsley was recalled, all our buyers had decided not to continue buying.

201. Any other objection?—Yes. Hitherto the inspecting officer only had selected the horses and classed them as A or B (thus fixing the prices), and measured them, after which they were passed to the veterinary officer, who was only responsible for their soundness and age. Under Captain Maudsley this system was changed. Captain Maudsley just passed on any horses he approved to Mr. Hawes (his veterinary surgeon), who gave the heights, classed them (which amounted to fixing the price of each horse), or simply rejected them without any veterinary examination if he did not approve of their conformation, thus practically usurping the duties of the inspecting officer. The system was entirely contrary to Colonel de Burgh's orders, which were plainly laid down, and I remonstrated with Captain Maudsley, but with no effect.

202. Is that all about Maudsley?—When he first came he said he did not at all like the method of buying horses in vogue here, and that they ought to buy the horses from the breeders as he had been doing in Canada, and I am satisfied he intended to do all he could to stop it, but there is no doubt that such a system could not possibly be satisfactorily employed in Texas.

203. I understand your firm has been the sole firm in Texas for the purchase of horses and mules?—Only for horses. Since Colonel de Burgh came out, and about two months before that, when I think Steger was dropped.

204. Under whose régime did you become sole agents?—Under Captain Marsham, two months before Colonel de Burgh came out.

205. Did you have any dealings with Colonel Stevens?—Yes sir, he was the purchasing officer. The first order we had was from Captain Marsham, and was for 250 head.

206. That was for 14·1 to 15 hand horses?—14·3 to 15 hands 1 inch.

207. Were your relations with Colonel Stevens always satisfactory?—Yes.

208. At this time you found the veterinary surgeons who were working with the officers always satisfactory?—Yes, always satisfactory.

209. I think Captain Fife purchased some horses from you?—Yes, sir, he had, with his Veterinary-Surgeon Knight.

210. Were your relations with Mr. Knight quite satisfactory?—Entirely so. He only inspected about 450 horses.

211. Can you give us the number of horses you have sold to the British Government altogether?—About 18,500.

212. I suppose you bought them mostly in Texas and vicinity?—Yes sir. Texas is a very large state. It is larger than France—a good deal. We get some horses out of the Indian Territory and Oklahoma, and a very few from Colorado and New Mexico, but practically all of them come from Texas and the Indian Territory.

213. What price have you been getting for them?—75 dollars for cobs at commencement; later, raised to 80 dollars, and subsequently 85 dollars. For cavalry horses the price was always 100 dollars.

214. Have you always been able to supply as many horses as ordered?—Yes, sir.

215. You could continue supplying them as you have?—At the same price, yes, but at the reduced price, under Class C, we do not believe that the horses can be bought for the money.

216. If the Army will not buy Class C is there any other market?—Yes, sir, it is a good size for cow-horses, and the ranchmen are paying for that horse what our men are paying now, and are not so particular as we are, as a rule.

217. Now, you have had large dealings with the British Government, and I do not know whether it is in order to ask you such a question, but would you mind telling us what your profits have been?—No, sir, not the slightest. We have never kept any regular books on this matter. I had it set out on paper before I came, but started so hurriedly, I left it there, so cannot say definitely, but we have made something around 290,000 dollars and 300,000 on the 18,500 horses.

That is the gross profit, and included in that is quite a number of our own horses sold, and also nothing taken out for the extra expenses incurred while in this business, and the cost of our place in Fort Worth is also included in this profit.

218. What would it be per head?—About 14 dollars to 16 dollars.

219. Have you had any increase in your expenses?—Yes, sir, very much so on our ranches.

220. Have you had to increase your establishments at home?—Yes, sir, and our own expenses have been greater, as we have been at our ranches very little—had to leave them almost entirely, which has also cost us a great deal extra.

221. Would you mind sending us a little abstract of your accounts, showing the cost of the horses and the profits being made now?—We will send you one, showing what we have made per head—gross profits. We hope you thoroughly understand the system under which we are at present and have been since last November, sub-contracting the horses. We employ about 20 men, a number of which used to be in our employ, at wages of 150 dollars per month and expenses, to purchase our horses. We found by experience that they procured better horses if we allowed them to buy on their own account and make a profit for themselves, which profit, however, we believe, has seldom equalled the wages we used to pay them. We find that they are much more careful in selecting the horses when buying with their own money, and we personally inspect the horses before they are shown to the inspecting officer, and only allow them to show such as we think are suitable, and we pay them for what are accepted.

222. At what price?—At 10 dollars less than we are paid for them—out of which we pay all expenses of inspection, which amounts to about 2 dollars per head.

223. What has feed been costing you?—It has lately actually been costing us 30 cents per day per horse. At one time it actually cost us 37½ cents, and when we were getting but 35 cents from the Government. Now, I would like you to clearly understand what we mean by sub-contracting. You must not understand that we take the contract and then sell it out to others to fill, for that is not what we do. We take the horses from these small dealers, some of whom were in our employ as buyers for us, as I said before. It enables us to get better horses at a lower price, as you can understand.

224. Have your arrangements with the British Government been made under written contract?—Written orders, sir.

225. Never had a written contract to supply a certain number in a certain time?—We have had written orders. That is practically the only contract we have had. Of course when horses were more needed we have bought ahead or we could not have furnished the number needed. Colonel de Burgh has always told us if we bought horses ahead of his orders that we did so at our own risk.

226. That was thoroughly understood?—Yes, sir. We have about 20 different men who are buying on their own account. Since November last we have continued this system. We pay the expenses of inspection, which comes to about 2 dollars per head. They bring them to us at Fort Worth, and we pay them when the horses are accepted. We pay the expenses. Here in Kansas City they can be shown for a good deal less loss on the rejections, for here there is always a market for any which may be rejected, in the open market, which we do not have, but have to depend on selling them out here and there, which of course increases the expense.

Mr. F. Anson then made the following statement in regard to some horses which Captain Maudsley and Mr. Hawes purchased for their private use, said horses having been previously accepted and branded for the British Government:—

"I have recently had a letter from Captain Maudsley stating that he had been questioned by the War Office in regard to this transaction, and that he had told the War Office that he had consulted with me before taking the horses. This is distinctly untrue. I was not even at Fort Worth when he picked out the horses, neither did they consult with my brother, who was in charge of the

inspection at the time they branded the horses in place of the ones taken out.

"I knew that Mr. Hawes had kept back several horses to try, and I told Captain Maudsley when Mr. Hawes kept out a horse to try, that in my opinion it was a great mistake for him to take any horse that had been accepted for the Government service, and also told him so on more than one occasion afterwards, and before Captain Maudsley left I insisted on him writing to Colonel de Burgh, and telling him that they had kept the horses. They kept these and several other horses for several weeks, trying them, before they finally decided which ones they would take."

STATEMENT by Mr. W. ANSON.

With regard to the evidence in connection with our dealings with Colonel Stevens and Captain Marsham and in view of the fact that we have not only been accused of making an unfair profit from the Government, but that certain statements have been made in Parliament and elsewhere that the dealings have not been altogether honourable, we wish to make the following facts very clear, as to how and under what conditions the first order was obtained. When Captain Marsham first decided to buy horses in Texas, I applied for a trial order. He was buying cavalry horses 15.1—15.3, and asked me at what price I was disposed to offer to supply them. I told him that for various reasons I did not wish to supply that class from Texas. He told me to write him an official letter stating the

size of horse I considered it most advisable to buy in my territory, also the price at which I could supply them. I asked him if he had already received bids from Texas for supplying cobs, and if he had, about what was the price. His reply to this was as follows, as near as I can remember it: "My dear Sir, this is entirely a matter of business, and you cannot expect me to let you know what bids I have received already, but I will let you know that I have received bids from Steger and others, and all I can promise you is that if the Government decides to buy the smaller horse in Texas, and if your bid is as low as that of the other horse dealers, I will give you a trial order of 250 head."

After this conversation, and knowing full well that I was in competition with some of the shrewdest horse dealers in the world, and that I would have to make a very reasonable price under the circumstances, I decided that 75 dollars was the lowest price at which I could insure myself a fair profit. This, as I found out later, was the same price that Steger (whom I did not know except by reputation) had submitted, and I was accordingly awarded an order for 250 head. I filled the order satisfactorily, and so was given further orders, which have continued to the present time.

I wish to draw attention to two facts: I was given the first order in direct and open competition with other dealers, and also we are voluntarily making a statement as to the whole amount of our profits earned since the commencement of the business.

Hon. Francis
and Hon.
William
Anson.

7 Apr. 1902.

Coleman, Texas, 14th April 1902.

Additional Evidence of the Hon. F. and W. ANSON.

14 April 1902.

We have been requested, if entirely satisfactory to ourselves, to furnish a statement of the profits made by the Anson Brothers on the sale of horses to the British Government, and we voluntarily make this return as to our profits. The following statement does not include the profits made on the first order for 250 horses, which were supplied by William Anson alone: We have made on all 296,875 dollars. Out of this we have invested 28,375 dollars in the purchase of a station for handling the horses near Fort Worth, of which sum 10,000 dollars is for the improvements, which improvements would be practically worthless to us in the event the business should cease.

This amount of profits makes no allowance for interest on capital employed in the business; the current rate of interest here is 10 per cent. per annum, and we have employed capital ranging from 75,000 dollars to 125,000 dollars for two years, on which the interest at the current rate would amount to over 15,000 dollars for the two years.

Our personal expenses and running expenses on our ranches have been very largely increased during these two years, owing to our enforced absence, we would return these at 12,500 dollars for F. Anson, 7,500 dol-

lars for W. Anson, so that the amount of nett profits would stand as follows:—

	Dollars.
Extra expenses - - -	20,000
Interest on capital - - -	15,000
Loss on improvements - - -	10,000
	45,000
Gross profits - - -	296,875
Less charges - - -	45,000
	251,875
Nett profit - - -	

(Signed) ANSON BROTHERS.

We believe the number of horses supplied at this date is between 18,000 and 18,500.

We wish to add the following to our evidence given in Kansas City:—

"Inasmuch as it has reached us that statements have been made in London which may reflect on our transactions and on the general conduct of the business which we have transacted with the British Government, we have and are prepared to show further evidence in regard to the transaction of this business, which evidence we claim the right to give in case any matter of a nature derogatory to our position should transpire."

(Signed) ANSON BROTHERS.

REPORT ON PURCHASING OPERATIONS at DENVER, COLORADO, on the 10th April 1902.

10 April 1902.

We inspected the corrals belonging to Mr. C. B. Rhodes, at Denver, where Lieut.-Colonel T. de Burgh conducts his operations.

The corrals are situated outside the city and are approached by tram car. They are rough but suitable to the purpose, and are of the usual wooden construction, as has already been explained by Colonel de Burgh in previous reports.

There were about 100 horses collected, and we were present when Lieut.-Colonel de Burgh inspected 31, out of which he excepted 21.

The Western horse has a high character for durability and usefulness, but we ourselves having had no

previous experience of them find it difficult to judge them. They struck us as having good riding shoulders, good backs, and plenty of bone, but they lacked that regularity of type which distinguished the horses purchased in Texas and elsewhere, and which we inspected at Lathrop.

They were, with very few exceptions, in poor condition, and showed weakness when ridden. They were very rough with their winter coats still on. They looked hardy and when in condition of a very useful class (averaging in height about 14.3) for mounted infantry. They were all quiet and were mounted and dismounted without showing vice or nervousness.

Denver, Colorado, 11th April 1902.

Lieut.-Col.
T. J. de Burgh.

11 April 1902.

23rd Witness:—Lieut.-Colonel T. J. de BURGH, late 5th Dragoon Guards, Purchasing Officer, Colorado District, Colorado State.

227. How long have you been purchasing in America?—Since last August.

228. And in the Colorado District?—For four months.

229. How many horses have you purchased in the Colorado District, approximately?—Up to the 31st of March I had bought 12,085 horses and mules, of which about 2,000 were mules.

230. What dealers have you been employing in the Colorado District?—The late Mr. Holloway, Captain Grissell, Mr. C. B. Rhodes, and I have a new dealer employed now, Mr. Brown, but whom I have not yet dealt with.

231. Were you the first officer to purchase here?—Yes, sir.

232. Did you find the prices fixed when you came here?—Yes, sir.

233. At what rate were they?—A Class, 100 dollars, B Class, 85 dollars.

234. Subsequently?—Subsequently, when the size was reduced, when Lord Kitchener telegraphed that he preferred cobs from about 14 $\frac{1}{2}$, then we saw our way to get rid of horses over 15 hands and thereby reduce the price to 70 dollars, which was the price fixed for Class C. Then after a little bit there were some negotiations I know nothing about, but I was instructed to take horses up to 15 $\frac{1}{2}$ and a few days ago to take horses up to 15 $\frac{1}{4}$ with shoes on; consequently horses up to 15 $\frac{1}{4}$ barefoot, which originally were Class A are now included in Class B, and the purchasing officer has authority for any especially good individuals to give an extra price up to the original price of Class A; but the result of the change is that very few horses are shown over 15 hands, because for some time the buyers about the country were told they would not be required and have ceased buying them; the farmers have ceased sending them in.

235. I notice your original price for Class B was 85 dollars, and subsequently you have been able to reduce the price of the horses, or to dealers, to 80 dollars and 70 dollars; do you now consider that the class of horse which you have been getting from these dealers, to whom you pay a lower price, is equal to that for which you were paying 85 dollars?—As regards the lowest price you have on that paper, sir, I have never seen the horses. I was able to get the lower price by dealing direct with the producer. Mr. Rhodes is a man who has thousands and thousands of horses on his range, and Mr. Brown also has some two or three thousand. By dealing direct with them, I get rid of the middlemen's price, but if we were working at the pressure at which we had been working up to October and even December last, I would not even have dared to suggest a lower price, because if I had come to an inspection and found an inferior animal which I could not buy, I would have been short in the numbers absolutely required from my district, and ships would have been paying demurrage at New Orleans; in fact, until the pressure was relaxed I dared not make any experiments at all, with the result that where I gained 5 dollars per cob by dealing with Mr. Rhodes on the first inspection of 200, but before he took the next order for 200 he applied for a rise at once, and if it had not been that I was able to tell him, "Very well, put any price you like; you are not the lowest tender in the market," I would never have got my present price to Mr. Rhodes taken up. What Mr. Brown's inspection will be like, I cannot form any idea of, but I have no illusions about it. I am inspecting on his own ranche—I had to do it on account of Mr. Holloway's death, being short on their inspections, and I do not expect to get many horses from him. He told me himself, "If you do not take my horses, I will be no worse off; they will go back into the field." So, I wish to impress upon you, that if I were told the ships were there and I must provide a certain number of horses, I could not have made any reduction; I could not have run the risk of being short of horses.

236. Then you consider the cobs you have been getting from Mr. Rhodes equal to Mr. Holloway's and Captain Grissell's?—Quite so, but the height has been

reduced. The orders to them were for 500 and 600; I am only giving Mr. Rhodes orders for 200 tentatively, he being a new collector.

237. Do these horses all come from Mr. Rhodes's own ranch or range?—I think he shows a certain number of horses that are sent in on approval by sub-contractors and buyers. They say, we will buy at certain prices for you, and we must be allowed to show a certain number of horses. But that is guess work. It is almost impossible to find out from a dealer.

238. Your arrangements with these dealers have always been satisfactory to you, and their way of doing business has always been satisfactory?—Yes, sir, I believe I have dealt with absolutely straight men. Mr. Holloway was absolutely straight. He was not a business man, he was a yeoman farmer the most of his life, and perfectly straight as far as I have had any dealings with him. Captain Grissell is an old army officer. Of course, as regards the prices they pay, we must remember that what really enables a dealer to make money is not so much giving the prices as knowing what the inspecting officer will take, and then when he knows it himself, being able to get his buyers, perhaps thousands of miles away from him, to buy the animal he wants. I think Mr. Rhodes has been quicker at picking up that than any other man I have had to deal with, considering it is at the beginning of his work.

239. Could you roughly tell us what the number of rejections are in your inspections, I mean with reference to the class of horses that these men show you, whether they are in the habit of showing you a great number of practically unfit horses—trying to pass on you unfit horses?—No, sir, they show horses that they think are suitable. For instance, Mr. Rhodes. My first inspection with him, in the first two days I bought 128 horses out of 255 shown. Then he picked up what I wanted, he began to see what I wanted. Yesterday I bought 79 horses out of about 90. That shows how he began to pick up what I was willing to take; but I have only kept account of my rejections since February 24th, and since that date I have examined 2,381 horses, and out of those I have taken exactly 1,200, practically 50 per cent. I know of one dealer who has between 300 and 400 horses now on his hands that he brought on an average of 1,000 miles by rail. I stopped the inspection when I had bought 32 horses. He has never shown any of those since and never will, they are on his hands.

240. From your experience of the Colorado District, do you think it possible to keep up the supply of horses at the present prices?—I think I can keep up the supply in my district, but this and next month will be the most trying months I could have. The month of April the range horses are more or less starved, and in May they suffer from the effects of the new grass. After June I think the supply that has hitherto been required from me I will be able to maintain; but my horses do not come from my district, I think only a small proportion come from my district.

241. We understand that you were in command of a battalion of Yeomanry in South Africa?—Yes, sir.

242. And that you had in your battalion a certain number of the class of horses purchased in North America, had not you?—I had, as originally fitted out, Hungarian horses and Texan horses, which were bought about the beginning of 1900. After these horses were discarded we may have had some American horses, but I do not know. I was then unable to distinguish them.

243. What did you think of the Texan horses that you had out there?—I never identified any horses that we had out there as American horses, except the first lot of Texans bought, I believe, by the Chartered Company. They were not to be compared with those I have bought in America.

244. At the prices you are now paying, do you think the dealers are making an undue profit?—I do not think so, sir.

245. I believe you have given your reasons for so thinking to Kansas City?—Yes, sir.

246. Can you state what the expenses of the dealers are before they bring the horses to you for inspection?—Yes, sir. I think it costs a man between 800 dollars and 1,000 dollars to put up a proper set of corrals, and I submit a memorandum of the expenses which a dealer has to include in his tender price per cob.

A dealer's tender price per cob includes:—

- (1.) Every expense of every kind connected with inspection of cobs, and up to and including safe delivery (alive and without injury which would render a cob permanently unserviceable for South Africa) at Lathrop, Missouri, to an agent of the British Government.

Exceptions:—

- (a.) Provision of branding irons.
- (b.) Rail and personal expenses of inspecting officers.
- (c.) See paragraph (3) feeding.

- (2.) Cobs must be accompanied by a competent man, and must be detained, fed, and watered at least every 28 hours. When shipping or re-shipping cobs each car to be provided with five bales of hay. Not more than 24 cobs to each 36-ft. car.

- (3.) Dealer takes charge of, and responsibility for, Government cobs and feeds them at a rate of * cents. per diem, until shipped on date specified by inspecting officer. This price to cover only hay and water feeding. No payment for day on which cobs are shipped.

Note.—Dealer provides inspection ground, labour, and everything necessary to enable inspecting officer to purchase about 100 cobs per diem, i.e., a minimum of four riders,† four leaders,† two branders, one blacksmith, one clipper, four ropers, &c., one clerk, a forge, branding chute, covered veterinary shed (unless forge be suitable), five pens for cobs, 300 yards gallop, clipping machines, tail shears, scissors, saddlery, ropes, slips. Conveyance for inspecting officers from and to rail station or hotel. Caulkings and hind shoes removed, feet trimmed, and if necessary shod in front: long hair removed from jaws, heels, legs, withers.

A veterinary surgeon (with brands) accompanies inspecting officer. The inspecting officer is the sole judge of any matter connected with inspection of Government cobs. Payment is made by cheque from Kansas City, Missouri, when cobs are safely delivered at Lathrop, Missouri.

247. Will you kindly tell us the names of the officers who have been associated with you in this district?—Nobody, sir, except Mr. H. Custance, C.V.S.

248. Is your opinion of him as a veterinary surgeon satisfactory in every way?—Yes, sir.

249. Have you any wish, Colonel de Burgh, to make any statement with reference to your position here as inspecting officer?—My position as inspecting officer, sir, I have no fault to find with. As far as my dealings with my own superior officer are concerned, I do not think they could be pleasanter; the details are left to us, and our orders are given to us clear and straight, and I may say I never served under a man under whom I would rather serve. Matters have been mentioned in the newspapers at different times, and I ask leave to allude to certain matters which have appeared in them; for instance, system of inspections, perfunctory examination of horses, hospitality received by inspecting officers at the hands of dealers. With regard to the system of inspection, as far as I understand it, sir, it may appear rather a quick inspection, for instance, to a man who is accustomed to buy one horse and take a day to do it, as I have many a time in buying a hunter, but when you come to examine some 18,000 animals at an average rate of purchases per day

* Rate, 10 to 20 cents. per day, depending on the local price of alfalfa and hay.

† Generally eight of each.

24th Witness:—Captain F. GRISSELL, late 9th Lancers.

251. You have been selling horses to the inspecting officers in this district for some time, Captain?—Yes, sir, the first day was September 16th, 1900, that was when Colonel Stephens was here, before Colonel de Burgh came out.

252. How was it you first came to sell horses to the Government? Were you living in this district?—I was living in Wyoming, sir. I saw Colonel Stephens at Kansas City. I did not ask him for any contract, but he telegraphed me to know if I would supply so

of at least 50 horses for eight months, one sees the thing he wants almost the moment he sees the animal. You can just as easily inspect 150 or 200 horses in a day as you can 50 or 60. The medical examination I do a good deal of myself, except as regards eyes, age, and spinal ailments, then the veterinary officer examines the horse thoroughly for soundness. It would be my fault if a horse suffering from ordinary unsoundness got as far as the veterinary officer. I think the inspecting officers are now pretty independent of any veterinary surgeon except in those two or three matters. What I mean to convey is that a horse is practically subjected to two examinations for soundness at an inspection. My veterinary tells me he has plenty of time for his work, and I have plenty of time for mine. The quietness of the horses—there was a complaint, I believe, from General Lord Downe lately, that horses coming out were wild, they had had a man killed, several injured by American horses. My experience of my American horses in South Africa was, that if they are treated at all decently, that they are the quietest animals in the world, the quietest I have ever met with out there, and if they had a few men who were accustomed to Western horses at the disembarkation ports in South Africa, they would have no trouble with them whatever. Yesterday every man dismounted when he went up to his dismounting place, and if a Western horse will allow a man to handle and mount him without being held in the open like that, he will allow him to do anything. As regards the hospitality in connection with dealers, Captain Grissell has his ranch six miles from any house where anybody could stay. I asked him when I first inspected with him how I could arrange about lodging. He told me—which is a fact—that it would be quite impossible to inspect with him there except by staying with him over night; there is no means of doing it. I suggested living at the Manzanola Hotel, six miles off, and he begged me to leave things as he had arranged them, rather than put him to the trouble of sending for me twice every day, 24 miles. As regards remount scandals, my feelings are as follows:—Although the North American Commission has not been openly and generally attacked, as far as I know, either as to efficiency or honesty, there have been veiled insinuations which cannot be tackled by us, our mouths being closed. I believe that all over the world, the words remount and war contract mean to ordinary men something shady. I have two sons in the Service, and I do not think either they or I congratulate ourselves on the fact of my being connected with the department as things are now. I think a civil employer would have taken more care of the general credit of his business and employees than our Government has. At best, our Commission has been damned with faint praise. I think a full Parliamentary inquiry into Remounts might have been granted, and questions to officers on service put and answered by telegram. When the country again requires remounts in foreign countries or even at home, in large numbers and at short notice, as it certainly will require them in any big war, it will have to find the straightest and best gentlemen horse buyers, in whose judgment and honour they have implicit confidence, and it will have to support them better. A Remount officer can rob the Government whenever he likes with perfect security. The value and suitability of a horse can only be a matter of opinion. It changes from day to day, dependent on the food, the feeder, the rider, the work, the climate, the soil, &c. I think it is a pity that such a useful and necessary department should have been allowed to become so discredited.

250. Have you anything further you wish to say?—Nothing, sir, except that I wish you would ask the dealers in my absence if they have been unfairly treated in any way, or if there has been any expense which they could have been saved.

many cavalry horses and so many large horses. I telegraphed to say that I would, and directly after they stopped buying; Colonel Stephens went home, I went home, everybody went home. Later I saw General Truman in London, who gave me a letter to Colonel de Burgh, January 26th and 27th, I commenced supplying horses to Colonel de Burgh, in 1901.

253. How many have you supplied altogether?—Altogether, sir, including the 200 that Colonel Stephens took, 4,893, all of the same class. The first were cavalry

Captain F.
Grissell.

Captain F.
Grissell.
10 April 1902.

horses and large and small cobs. The next was in January 26th and 27th, 243 head Yeomanry; July 27th, 28th, 29th, 495 head. August 30th, 31st, September 1st, 612 head. September 30th, October 1st, 3rd, 4th, 833 head. November 7th, 8th, 9th, 539. September 29th, 32. September 16th, 17th, 18th, 265. January 6th, 7th, 8th, 9th, 1902, 362 head. January 20th, 21st, 22nd, 24th, 311 head. February 12th, 13th, 14th, 15th, 533 head. March 3rd, 4th, 5th, 6th, 7th, 8th, 468. That is all that I have sold. On the 14th, Lieut.-Colonel de Burgh arranged to go to see some more—400.

254. What is the price Government has been paying you for these horses?—In September, for cavalry horses, 125 dollars, large cobs 95 dollars, small, 80 dollars. In June it was changed to yeomanry cobs 85 dollars, mounted infantry and yeomanry cobs, same price. July, cavalry horses, 100 dollars, mounted infantry, 85 dollars. That went on until November, sir, when it was changed, cobs, Class A, 100 dollars, cobs, Class B, 85 dollars. A and B Class was continued until the last inspection, March 3rd, 4th, 5th, 6th, 7th, 8th; it was then, cobs, Class A, 100 dollars, cobs, Class B, 85 dollars, cobs, Class C, 70 dollars.

255. All these horses which you have sold the Government, we understand, have not been bred by yourself, but have been purchased?—Yes, sir. Some have been bred by me, but they were wanted in such a hurry that we had to buy; sometimes we only had ten days' notice; two weeks was quite a lot of time. Since then we have had to buy ahead of time and chance their being required or not.

256. How many were of your own breed?—Only about 50?

257. All the rest purchased?—Yes, sir.

258. In what states were they purchased?—In Montana, Wyoming, Washington, Idaho, Oregon, Utah, and a few in Colorado.

259. Your arrangement with the Government, I suppose, was that you should bring these horses to a certain centre?—Yes, sir, in Wyoming until the winter started in. I told Colonel de Burgh in November that I was afraid to provide horses on account of the cold weather. Then he asked me if I would not come down into this section and rent a place on the Santa Fe railroad, where it was warmer. I agreed to do that, and that is how I happen to be down here now.

260. Then you have rented a place?—Yes, sir, I have been here since November, on the Boston Farm, at about 46 miles from Pueblo, and 200 from here.

261. In renting that place did you find everything necessary in the way of buildings and corrals?—No, we had to build everything ourselves, dig wells, build fences, and corrals and everything; had to bring lumber all the way from here to make the corrals. We had to go where there was plenty of hay and good water and a mild climate; the hay really governed.

262. Alfalfa or hay?—Alfalfa.

263. Were you put to any great expense in this move, and in the arrangements you were obliged to make at the Boston Farm?—We were of course put to great expense moving our whole establishment. We had a special train, and had to pay high wages, that was the principal thing. Unless we paid high wages we could not get the men, and we had to have at inspection time 50 men, and the remainder of the time, 30.

264. The horses which you purchased in these several States were railled, or sent by road up to the Boston Farm?—Yes, sir.

265. What would be the extreme distance that you shipped horses?—The extreme distance was from Spokane, Washington, to Colorado, and I think that is about 1,900 miles.

266. Not many horses, I suppose?—We commenced by bringing nearly all our horses.

267. All by rail?—Yes, sir.

268. What would be about the approximate cost per car for such a distance as that?—About 180 dollars, and then the feed, 1½2 dollars.

269. How many would go into a box car?—Twenty-five horses. If you put in 28 and one goes down it is difficult for it to get up. We used to put in only 20, but that made too much room and left quite a large space in the car, and in switching and shunting the

other 19 would come right against the end horse and hurt him, so 25 is better.

270. The expense of going from Pueblo was paid by you?—We made arrangements with the railway company to bill them right through to Lathrop, with the privilege of stopping 30 days for feed and inspection, and after inspection they are billed right through; we simply have to load them.

271. Does that 182 dollars include all the way to Lathrop?—From points in Utah it is 155 dollars.

272. All that expense which you appear to have been put to at the point from which you purchased horses, is on your part?—We had to pay all expenses except the feed bills after the horses are accepted. The feed bill is verified by Colonel de Burgh and sent in to headquarters.

273. The feed bill from your place at Boston Farm?—Just before they are shipped.

274. And the feed on the road to Lathrop?—We provide that.

275. You appear to have been purchasing horses at a very great distance from your own centre; what was your system of locating the breeder or purchaser?—Wherever we could hear of them; lately we have had to go, sometimes, 140 miles from the railroad.

276. Did you send sub-contractors?—I have been out myself, and had buyers out also. That is the great difficulty, to get buyers who know horses when they see them, and that you can trust as well. Of course you have to give them large sums of money and it is considerable risk.

277. In sending out these buyers to out of the way districts to buy horses, did you limit them to any particular price?—No, sir, one of my best buyers was my second horseman in England, and I had to trust him with large sums of money, sometimes 1,000l. or 1,500l. He is a married man and his wife came over from England; I feel that I can trust him. It is difficult to get reliable men, and generally the time is so short in which to buy. I am buying horses for May now on my own responsibility.

278. Would you have any objection to telling us about what price you have been paying the producer or breeder on his own farm, or what has been paid?—55 dollars up to 75 dollars, and had to pay the freight as well. Of course, when we first began to buy we could get them for less, but now the horses are getting scarce. One has had to buy them and keep and feed them for two or three weeks. I had two car-loads the other day; 15 out of the 50 were too thin. I am authorised to buy horses as small as 14'1, but I do not allow them to buy under 14'3.

279. Can you find many of that class, Class C?—I think so now, but I stopped my men buying the other day, because I was afraid they would buy them still smaller.

280. What ages?—Five to nine. They do not break horses in this country until they are nine years old; they allow them to run without breaking, and I have seen them breaking good horses nine years old.

281. You have been selling most of the horses above five?—About six to nine.

282. I suppose there are plenty of four to five coming on?—Yes, sir, I have a lot now in Wyoming.

283. May we conclude from that that the supply in this district is unlimited?—No, sir, quite the reverse. Of course, we may find quite a number of five-year-olds, and of course a number of 14'1 horses. It depends entirely upon how many buyers there are in the country. If they want more horses, and Mr. Moncrieff and Mr. Lowthen move back to Wyoming, one might go on buying horses, but if we all remain in this country we could not all keep on buying, because we are crowding each other out. From now on, as they require horses, we could buy a limited number. Colonel de Burgh wants them thoroughly broken, and that is the difficulty now, to get horses quiet enough for anybody to ride. There are any quantity of young horses, but the farmers are afraid to start in and break them, for fear the war in South Africa will stop and they would have the horses on their hands. For instance, one of Mr. Moncrieff's buyers was out in Salt Lake City about a month ago, and from 200 horses brought in to him he only bought 12 head. You have to travel a long distance to find horses in large

numbers. We get telegrams to buy them in a hurry, when we cannot fill the order.

284. You sold some horses to Colonel Stephens, did you?—Only one batch.

285. Were your relations with Colonel Stephens quite satisfactory?—Quite satisfactory.

286. Were the prices the same as you are now getting?—They were more. We have not supplied any cavalry horses this year over 15.1. From 15 is a very small margin to work on.

287. You intend to continue to supply the Government so long as the demand exists?—Providing Colonel de Burgh gives me orders. I wrote to Colonel Ulick de Burgh, saying that I had to move my establishment from where it is on account of the mosquitos and bad water; also because it is a very large ranch, 7 or 8 thousand acres, which requires a large number of men of itself, and we could not very well have the two establishments together. The water is, I suppose, 60 or 70 miles away from where the river comes out of the mountains. It is full of alkali, and we are dependent on irrigation ditches which might be shut off later as

the farmers need the supply. I wrote asking him if he would sanction my going 60 miles further up into the mountains, where there is better water and many advantages; I asked him to telegraph to Boston Farm this afternoon if he would sanction it.

288. Would this new place be nearer here or further away, and from Lathrop?—It would be nearer here, sir; it would be about 30 miles nearer here and about 60 miles further from Lathrop.

289. Near the railway?—14 miles from the railway.

290. How is your present place in that respect?—On the railway; in Wyoming I was 20 miles from the railway.

291. In all these inspections of Government officers, they have always been accompanied by a veterinary surgeon?—Always.

292. Have you found that the veterinary surgeons have always behaved in a straightforward satisfactory way?—Always.

293. Without exception?—Without exception, save the one Colonel de Burgh told me about in London.

25th Witness:—C. B. RHODES, Denver, Colorado.

294. Where is your ranch, Mr. Rhodes?—About 55 miles east of here, one of them, on the Kansas Pacific Railway.

295. I understand this is the first occasion you have commenced to sell horses to Colonel de Burgh?—Yes, sir; I sold him 211 on the first order, and this is the second order, 200.

296. These horses that you have been selling to Colonel de Burgh are entirely those that you have bred upon your own ranch?—No, sir.

297. How many have you bred of those you have sold to the Government?—Not over 65 or 70 I should say.

298. All the rest have been purchased?—Yes, sir.

299. In what States have they been purchased? In the vicinity of your own ranch, or far away?—Some in the vicinity of my own ranch; some in Western Nebraska; some in Eastern Colorado, that is north-east of my ranch 100 miles; some in Western Colorado, and one car-load we brought from Idaho.

300. What distance would that be from Denver, the points at which you purchased these horses?—From 50 to 250 miles.

301. And I understand that all the expenses connected with moving these horses from the place of purchase to Denver and then on to Lathrop fell upon the dealer?—I have found it so, sir.

302. Could you give us an idea of what you pay per car?—From here to Lathrop a 36-foot car holding 24 horses (I think he restricted me to 24 horses) cost me 84.75 dollars per car. I could just as well ship 27 but they restricted me to 24.

303. In addition to that, you have to bring them in from place of purchase?—Where they come from, further west or north, we can bill them straight through to Lathrop, resting at Denver for feed and inspection, and get the benefit of a slight reduction in the rate, as between local points and freighting from Denver to Lathrop; but those cars which came from the eastern part of the State no such rate of freight applies. For instance, I have my receipts for cars shipped 100 miles east of here to Denver; the rate of freight 40 dollars to 65 dollars per car, in addition to the 75 dollars I pay from here to Lathrop.

304. What prices have you been receiving from the Government for the horses you have been selling to Colonel de Burgh?—65 dollars, Class C; 80 dollars, Class B. He does not accept any other, but the Colonel wrote me two or three weeks ago and said he had authority where especially good animals of either class to induce him to pay a higher price for the kind of animals that would suit him, he had authority to add what he thought the animal was worth above the contract price.

305. Would you have any objection to telling us about what price you pay your buyers or the breeders?—No, I have not the slightest objection. If they were lower prices I might, but I would like to convince you that I am not getting rich out of this proposition.

This morning I bought, or left my man to buy, a car-load of horses that came into the yards, and I told my man to pay 50 dollars for Class C, and 60 dollars for Class B., and where they had very good animals to pay 65 dollars for Class B. I have already paid 65 dollars and as high as 70 dollars for Class B., that is, a horse I thought would go in Class B. Some of the animals you saw the Colonel reject yesterday afternoon cost me 65 dollars without the freight; and some of the animals that you saw him put in Class C., and which I bought because I thought they were particularly good individuals and ought to have a little addition to the price, I paid 65 dollars, now I get 65 dollars and I have got to pay the expenses and the freight. The class of horses that he demands are getting very scarce. When they first began buying horses in this country, they were more numerous; it had not stimulated the price any; but now it has reached the limit.

306. I suppose plenty will be coming on though, won't there?—It is a pretty difficult proposition to break young horses; three or four weeks doesn't break a horse, three or four months is necessary. Nothing breaks a horse like taking him on a round-up for a season. Just riding him up and down a lane he doesn't learn much. The uncertainty existing as to orders, at least at the present time, makes it almost impossible for a man to risk buying young horses. I can go and buy young horses, I know where there is a herd of 200 head. I suppose I could buy them for 24 dollars or 25 dollars, but I might break them, and there would not be but 35 or 40 in the whole lot acceptable. Would cripple some of them in breaking.

307. At any rate, at present prices, the business is worth your going on with?—Well, there is some doubt about that in my mind; I have had very grave doubts. You met Mr. Pullen, a partner of mine? I had a talk with him a few days ago, and I told him I did not think it wise to take another order unless we got a little more money.

308. You have only been selling horses to Colonel de Burgh? You have not had any dealings with any other officer?—Only Colonel de Burgh. I want to say this to you, gentlemen, that a man hardly knows the value of those horses until he has had experience with them. I may not be as bright as some men, but I have been out here 22 years and have owned a good many horses in my time, thousands of them, and bought and sold a great many in large bunches. I rounded up in my corral 252 head at one time, but I have learned to have a great deal of respect for these Western horses. They are shaggy and unkempt but they go, and they can work at the cattle business. Little 14.1 and 14.2 horses will carry a 40-pound saddle and a 180-pound man every day and all summer long without one bite of hay or grain. This short brown grass that you see is all that they get the year round. In rounding up cattle they are on the go about 5 o'clock in the morning, often at 4, and they lope until about 9.30 or 10, with hardly a break of half a mile. They are brought into the round-up about 11 o'clock, reeking with perspiration, heads hanging down. They uncinch the saddle, and off the horse goes to water and fills himself up with water in

Captain F.
Grissell.

10 April 1902.

C. B. Rhodes.

C. B. Rhodes. that condition. Not another horse in the world could stand it unless it is the Australian horses. I just want to pay that tribute to our horses.

10 April 1902.

309. Do you have many horses of what Colonel de Burgh calls Class C, still to be found in the country, 14, 14.1?—A good many left throughout the country; you can pick them up here and there in bunches of 12 and 15.

310. They will come on, though?—Yes, I think you could get quite a good many yet. They are not so easy to buy now as they would be in the fall, for the reason that work is beginning. The cowmen in May begin to

round-up their horses, and each man needs five or six horses, with 12 or 15 cow punchers he has to have 75 or 80 horses. In the fall he feels casier about it, but in the spring his work begins and he has not time to break young horses, so he does not sell his old horses. I have offered 65 dollars recently and they would not sell. I hand in for your inspection memorandum of an account, showing the purchase of a buyer of my own of 31 horses, at the rate of 50 dollars 80 cents per head. The freight added to that to get them here would be about two dollars per head, or 52 dollars 80 cents, and the total expense of shipment just about 4 dollars per head, freight and expenses from here to Lathrop.

Colorado Springs, Colorado, 12th April 1902.

The Earl of Fingall.

12 April 1902.

26th Witness:—The Earl of FINGALL, the 5th Connaught Rangers.

311. How long have you been purchasing officer in this district?—In this district since the last days of October 1901.

312. Have you always been in this district?—I only came to America in October and took charge of this district the last days of October.

313. Since you came here how many horses have you purchased?—Over 11,000.

314. What dealers have you employed?—Messrs. Moncrieffe Bros. and Wallop and H. Lowther.

315. And your relations with these dealers have been always satisfactory?—Most so.

316. Can you give us approximately any idea of the numbers of the different classes of horses you purchased?—I can give you exactly if you wish. To the 1st of April 3,622 A's, 4,291 B's, 150 C's; total 8,063. These were from Moncrieffe. From Lowther, 1,222 A's, 1,850 B's.

317. When you came here did you find the prices fixed?—Yes.

318. What were they?—100.00 dollars for Class A, 85.00 dollars for Class B. At that time there was no Class C.

319. Since Class C has been established have you found that class come in great numbers?—Can give you exact figures. In March 150 C's. My C's were mostly taken in April.

320. From your experience in the district do you consider that there are still a great number of horses in Class C to be procured?—Well, that is a question which I would have to answer rather at length. I do not very much believe in C's myself. I think the horses exist but there would be considerable difficulty about getting suitable ones.

321. Why do you consider that there would be difficulty in getting suitable horses of this class?—From what the agents with whom I deal say, I believe they cannot put in really suitable ones at the price.

322. You mean that the horses would be weedy and unsuitable for war purposes?—The horses they could find to give us at 70 dollars would, I believe, be unsuitable.

323. From your experience as purchasing officer here do you consider that the prices you found fixed on your arrival here was a fair one?—All things considered I think it was.

324. You do not think then that at those prices the dealers have been making an undue profit?—I do not think so. Not when you take into consideration the risks they have to run.

325. Perhaps you would give us your ideas at length on this point?—I believe the dealers buy the horses at an average price of from 40 dollars to 45 dollars. They have to deliver them at Lathrop. They have to stand the chances of a large number of rejections. Orders are constantly changing and circumstances make it impossible for us to give them orders very much in advance, and they have to gamble a considerable amount in advance on their own account. All these things considered I do not think the prices too high.

326. You are of an opinion, I understand, that the horses we get now are the best value possible for the money?—I think so.

327. But are you of the opinion that a larger horse or a smaller horse could be got for equal money?—I

consider the average larger horse is better worth 100 dollars, than the average smaller horse is worth 70 dollars for our purposes, although I admit that the really good small horses are cheaper for the money.

328. Having found these prices fixed here, as you did, do you think it was possible to organise any different system of purchasing under which a more economical system could have been introduced?—I do not. Unless time were no object.

329. You have remarked, in reply to a question which was put to you by Colonel De Burgh upon the profit that dealers in your district were getting, that you had ascertained that the gross profit is about from six to ten dollars per head?—I think the answer must have been misprinted.

330. Would you like to modify that reply?—I have not seen the typewritten copy of my replies and I am of the opinion that that statement is a misprint. The gross profit would be the difference between the average, say 45 dollars, at which they buy the horse and the price at which they are sold to us, 85 or 100 dollars.

331. I understand that you have carried on your operations in this district almost entirely through dealers. Have you any idea whether it would be possible to get into touch with the breeder or producer?—My own opinion is that it would take a very long time to do so, and probably not be satisfactory then.

332. You do not think the cost then would be much less?—I do not think it would. Not on any number.

333. Would you be able, or would you not be able, to get into touch with the breeder yourself without increasing the establishment?—Quite impossible.

334. Then you would require a larger establishment?—I would require a much larger establishment if I buy direct, or anything approaching direct.

335. What are the two points where you carry on your purchasing operations?—At present Grand Junction and Ogden.

336. Did you find Grand Junction the centre of operations when you came here?—No.

337. Will you explain when?—When I came here Messrs. Moncrieffe was showing horses near Sheridan, Wyoming, and Mr. Lowther at Billings, Montana. As the winter came on they moved respectively to Ontario, Oregon, and Namper, Idaho; later to their present locations.

338. Then these gentlemen gave up their permanent ranches and their ordinary occupation as cattle dealers, or horse breeders, at these ranches, for the purpose of taking up the trade of supplying the Government with war horses?—They certainly moved their locations for this purpose. I know nothing about Mr. Lowther's private ranch operations, but I believe those of Messrs. Moncrieffe have been left very much to themselves on account of his business with the British Government.

339. And your headquarters, where are they?—I moved between Grand Junction and Salt Lake, but am mostly at Grand Junction, as I buy by far the larger number of horses from Moncrieffe Bros.

340. What are your relations with Moncrieffe Bros.?—When Messrs. Moncrieffe were showing horses at their own ranch near Sheridan I lived as their guest in their house, Sheridan itself being too far to operate from. When they moved to Ontario their inspecting ground was eight or ten miles from the railway and nearest available hotel. When actually inspecting I

stayed as their guest at a little place that they had taken. When they moved to Grand Junction they took a boarding house, hotel accommodations being very inadequate, no other place available, I had been living with them in this boarding house but paying a portion of the expenses.

341. Then I understand that Messrs. Moncreiffe are the principal dealers with whom you have been associated?—Yes, they are.

342. Did you appoint them the principal dealers, or did you find them here when you came?—I found them the principal dealers. Colonel de Burgh sends me the general orders for my district, which I apportion as I think right, but I naturally continued the employment of Moncreiffe and Lowther.

343. You continued to employ these dealers because you found them there?—Yes.

344. Have you received applications from other dealers or breeders in the district for the purchasing of horses?—I have received several applications from persons desirous of selling horses to the British Government, but though I have given them the specifications and required information, so far no result has ever come of it.

345. Do you think, or do you not think, it possible to get cheaper and better horses by going direct to the breeder or employing other dealers than these men whom you mention as the principal dealers?—I think it would be impossible, under existing circumstances, in any numbers and at short notice.

346. What veterinary surgeons have been employed by you?—Mr. H. Sessions was with me the whole time, until quite recently. Mr. R. F. Wall has now replaced him.

347. Have these gentlemen given you entire satisfaction?—I look upon Mr. Session as a peculiarly suitable man for the job. Mr. Wall I have known such a short time that I cannot speak of him with such certainty, but he appears most painstaking and conscientious.

348. In your opinion have they always behaved in a thoroughly straightforward manner, and have had no underhanded dealings with the dealers?—Of that I feel absolutely certain.

349. Did you find that you obtained much the same class of horses both at Grand Junction and at Ogden, and if there is any difference will you explain it?—The general class is much the same. Of course it will vary at the various inspections, but taking it all around, I am decidedly of the opinion that Messrs. Moncreiffe put in a superior lot to Mr. Lowther. The reason for this is that Messrs. Moncreiffe have a much more elaborate system of buyers operating than Mr. Lowther.

350. Have you ever discussed the question with Messrs. Moncreiffe and Mr. Lowther as to the profits they are making?—I have with Messrs. Moncreiffe, and have done so often. I cannot recollect of ever having done so with Mr. Lowther himself, but I have often done so with his representative, Mr. Herford.

351. What sort of profit did they acknowledge to?—From the first of January to the first of April I understood from Messrs. Moncreiffe that their profits would be about 10 dollars per horse. Previous to that I understood it was higher. I have understood from Mr. Herford that since the commencement of affairs to the first of April he believed his profit to be somewhere about 20 or 21 dollars per horse; but he admitted that he was speaking very much at random, and had no proper accounts to refer to. Mr. Lowther is at present in England.

352. Have you any further observations to make as regards the class of horses you are procuring?—When I first began work in the west I found it customary to take horses that were only partially quiet. This I continued until recently, when I received orders to take nothing except what was absolutely quiet. I now find that I have to put back an enormous number of extremely suitable horses that are shown, as a very large proportion have often some point which the veterinary surgeons cannot pass. The thoroughly trained horse in the west is very seldom a thoroughly sound horse. During the months of January, February, and March I have rejected 559 horses, and put back (to be seen again) 1,392.

353. Have you any remarks upon any other subject connected with your position here that you would like to make?—I understand that there is dissatisfaction at home as regards the work of the Remount Officers. So far as I personally am concerned I should welcome the closest investigation.

Having read over my evidence, it appears to me that I have not made myself clear upon one point. In next to the last paragraph I say that I have rejected or put back 1,951 horses during the three first months of this year; the horses accepted during that time numbered 5,358. Since the 1st of April I have taken 298 horses and rejected, or put back, 291. Of course many horses that are put back are ultimately accepted, but working under present regulations I have grave doubts about the possibility of keeping up the requisite numbers, and on this account I have now come to the conclusion that the dealers will find it almost impossible to supply many suitable cobs at the price. It would appear to me that it may be necessary in the Northwest either to take only partially trained horses or to be satisfied with a less degree of soundness that is now required, if the numbers are required at short notice.

27th Witness:—Mr. MALCOLM MONCREIFFE, of Messrs. Moncreiffe, Sheridan, Wyoming.

354. Since what date, approximately, have you been supplying the British Government with horses?—For the first time we commenced in May 1900.

355. Tell us the number of horses you have sold the Government up to the 1st of April?—Between nine and ten thousand head in 1900. Between 18,000 and 19,000 from the 1st of January 1901 to date.

356. When you first commenced to supply the British Government with horses did you tender a price, or under what arrangements were the prices then affixed?—When we came here there were no prices fixed for the Northwest. We were first dealers in the Northwest. The Canadian prices were higher than the tenders we made. My brother, William Moncreiffe, tendered a price of 85.00 dollars delivered at Lathrop to Colonel Stevens, which was accepted. We arrange all shipping facilities, feed freight, man in charge from the ranch at Sheridan, Wyoming, to New Orleans. We paid feed and freight charges to Kansas City, Missouri, and the Government paid the balance of the freight charges from Kansas City to New Orleans. We communicated with all railways running to New Orleans, for the best rates. Speaking from memory, the rate from Sheridan to Kansas City was from 94 dollars to 96 dollars per car of 23 or 24 horses. This rate does not include feed charges and shipper's wages and expenses. We did not receive payment for the first train load sent down for about

three weeks after delivery at New Orleans, we carrying interest on the capital invested. The next two train loads were delivered at Sheridan, the Government paying the freight and feed charges from Sheridan to New Orleans, we undertaking the shipment.

357. By what purchasing officer was this arranged?—As per arrangement with Colonel Stevens.

358. Then do we understand that these horses were taken charge of by the Government at Sheridan, and that the Government took over the responsibility and risk of all horses shipped at Sheridan to New Orleans, and that you were free of all risk from the time they were on board the cars at Sheridan?—There was no loss on the last two trains in transit.

359. That you know of?—We were sure of it, our own shippers being in charge of the consignment to New Orleans.

360. Tell us when this arrangement of the Government taking charge of the horses at Sheridan was altered?—It was altered with the first orders given in 1901 by Colonel de Burgh. The horses were received, branded, and put in the car by us at no charge to the Government. Branding and clerk's expenses being paid by Moncreiffe Bros., and absolutely all expenses connected with the handling of the horses. We have replaced many horses injured through wire cuts and other accidents or sickness after being received by the Government and before reaching Lathrop.

The Earl of Fingall.

12 April 1902.

Mr. Malcolm Moncreiffe.

Mr. Malcolm
Moncreiffe.

12 April 1902.

361. Do you mean, when you say you replaced certain horses injured by wire cuts and otherwise, that you showed to the inspecting officers that he passed other horses to replace the injured ones?—Yes. Any horse injured or sick we held back from any particular shipment either till he was well enough, according to the veterinary officer's opinion, to be forwarded to Lathrop; or if not recovering we put a horse in his place passed on by the inspecting officer and veterinary officer, free of charge.

362. Then are we right in assuming that whilst Colonel Stevens was inspecting officer you handed over the horses at Sheridan at the same price as that which you received after Colonel de Burgh's arrival, for horses, the rail charges for which you paid as far as Lathrop?—The last two shipments delivered to Colonel Stevens were at a reduced rate, allowing for shipping charges to Kansas City. The actual amount I am not positive of from memory but think it was 5.00 dollars, receiving 80 dollars at Sheridan instead of 85 dollars at Kansas City.

363. What was your original contract with the Government or with the purchasing officer for horses, classes A and B?—Originally, during 1900, the class given us was solely mounted infantry. 14.2 to 15.1, I think, were the specifications for height, although good horses higher than that were taken, up to, I think, about 15.2, receiving the one price for all horses turned in: 85 dollars delivered at Kansas City, and I think 80 dollars delivered f.o.b. cars at Sheridan.

364. What was the period when you changed your dépôt for collection of horses for the Government from Sheridan, Wyoming, to another position?—December, 1901, we moved to Ontario, Oregon, owing to the possible severe winter climate in Wyoming. In finding Ontario inconvenient, owing to insufficient railroad facilities and long distance from Lathrop, Missouri, we moved for January inspection to Grand Junction, Colorado.

365. Previous to the war and to the demand for horses for the British Government from North America, had you been employed in breeding horses or cattle at your ranch at Sheridan?—Our business before the purchase of horses by the Government in this country was entirely breeding cattle, although I myself handled quite a number of horses for the English market, polos and hunters.

366. Then are we correct in supposing that when this great demand for horses occurred that you found it better to give up for a time the breeding of cattle and to endeavour to supply the demand for war horses required by the British Government?—Yes. We still continued to breed cattle, although with the necessity of a larger pasturage for handling the Government horses we sold a part of our breeding stock, owing to want of pasturage.

367. Now would you tell us the districts from which you collect the horses you supply to the Government, and your system of purchasing from breeders?—We purchased horses in the following different states:—Wyoming, Montana, South Dakota, Western Nebraska, Idaho, Washington, Oregon, Nevada, California, Utah, and Colorado. Our system of purchasing is to simply go into the open market and buy every suitable horse that is presented for sale, making arrangements with the breeders of horses and others to break in a certain number of suitable horses for future delivery. In order to get a sufficient number of suitable horses, we have made it a custom to buy in advance of orders given by the Government; otherwise we could not at any time have supplied the rush orders that came from at 10 to 20 days' notice.

368. Seeing that you had dealings with the breeders over a large number of states and an enormous area, do we understand that you employed buyers in each district, or what other system did you employ?—We employed our own buyers, very carefully chosen, and sent them to wherever we thought it most likely to procure horses suitable, giving each man a separate district in which to buy, even sending them long distances up country, from 100 to 300 miles from any railway town.

369. Would you have any objection to stating to us about what price your buyers paid the breeder on his farm or ranch for the horses you proposed to show the inspecting officer?—It entirely depends upon how well broke the horses are, and how much handling we have to give them, also distances from railroad points. The

average would, I should judge, come to about 42.50 dollars, or a little over, first cost. That does not include any of our buyers' expenses, and the number of fruitless errands, which they have to make, long distances up country, and as often as not be disappointed.

370. I think that you said your first relations with any purchasing officer were made with Colonel Stevens. Were your relations with Colonel Stevens quite satisfactory?—My brother went to New Orleans to interview Captain Marsham, who referred him to Colonel Stevens, from whom we received all our first orders in 1900. The dealings were quite satisfactory.

371. And in all the inspections of your horses have you found the examination of the veterinary surgeon fair, and have their relations been satisfactory?—Entirely, although we have always had very stringent examinations from the veterinary officer. What we think is, for many slight technical reasons, they reject horses that we know would be entirely suitable. We think, if anything, they are too strict.

372. Have you any remarks you would like to make yourself, Mr. Moncreiffe?—Yes. I wish to hand in my statement of my accounts for the last three months, showing all my expenditures, under all heads, and that the average profit per head for these three months has been 10.76 per head. During these three months the gross receipts for horses have been higher than any other three months that we have been in business, owing to a larger proportion of Class A, which run as follows: 2,187 A.s, 1,989 B.s; showing considerably more than 50 per cent. A.s. Since February the classes have run as follows: From March 3rd to 22nd, 262 A.s, 538 B.s; total 800 head. From March 24th to April 5th, 102 A.s, 326 B.s, 189 C.s; total 617 head. Therefore, from March 3rd to April 5th there are 102 A.s, 326 B.s and 189 C.s. The price between A and B and B and C is 15.00 dollars difference. By this the A class does not offset the C class, leaving a total number of head 617, at less value than B.s 85.00 dollars.

373. But is it not the case that you pay less in the market for Class C than you do for Class A?—The difference is so trifling that it cannot be taken into consideration, for the cob which will pass C class has to be so exceptionally good. We could, of course, put in a C class of very inferior animals on which we would not lose money, but no inspector would take them. The horses in the numerous districts vary in size. In some localities the horses run small, in other localities the horses are all much larger and better bred, but, at the same time, throughout the Western ranges a horse is just a horse, the prices varying very little. I wish, further, to make the statement, with reference to the remarks which we understand have been current in England regarding matters in the Remount Commission, that the purchasing officers have resided with us at our ranch. It is the custom of the country, and there is no other possible place at which they could reside nearer than the town of Sheridan, which is 14 miles away. During our residence in Ontario we were always located on a ranch 12 miles out from the nearest possible stopping place. Since we came to Grand Junction we have ourselves taken a boarding house, and during inspections Lord Fingall and Mr. Sessions have invariably resided with us in this house, but they have always paid their share of the expenses; the only difference being that whilst, had they been living in the same hotel with ourselves they would have made their own arrangements, in this boarding house we kept the house and charged them a fair amount for their share of the expenses. It must be remembered that Grand Junction is a small railroad town, with very inferior accommodation elsewhere, and at which no gentleman would care to stop. I also wish to state that these officers of this Commission have never put us to any undue expense. When inspecting at Grand Junction they have paid their own livery charges on their horses on which they ride out from our house to the inspection corrals, a distance of two miles. I beg leave to state, with reference to the remarks we hear have been made in the House of Commons, and elsewhere, we wish to repudiate all accusations of our having made an undue profit in our transactions with the Government or any of the Government officials. In a business of this kind, where we have to undertake so much risk, we expect to make a fair profit, which we have done, although the last six weeks I doubt whether there has been any profit. Examinations are getting so severe that it is hard to get a sufficiently large percentage of horses purchased to pass.

Number of horses 5,386 purchased by Moncreiffe Bros. and Wallop	-	-	-	119,875
52 dead, average 60 dollars per head	-	-	-	3,120
				<u>122,995</u>

Mr. Malcolm
Moncreiffe.
12 April 1902.

Average per head 22.80 dollars.

Feed charge refunded	-	-	-	-	Dollars	1,985.60
Number horses sold	-	-	-	4,174 head	-	387,595.00
	Class A	2,187				
	Class B	1,987				
		<u>4,174</u>				

Unsuitable horses on hand, 1,152 head at 20.00 dollars per head	-	-	-	23,040.00
				<u>412,620.00</u>

Average on 5,386 horses 76.00 dollars.

Average cost per horse (approximate)	-	-	-	-	42.50
Average expense	-	-	-	-	22.80
					<u>65.30</u>
Profit per head	-	-	-	-	10.76
					<u>76.06</u>

Average net per head 76.06 dollars.

GENERAL EXPENSE ACCOUNT.

December, January and February :—	Dollars	December, January and February :—	Dollars
O. H. Wallop and buyers	790.37	O. H. Wallop and E. M. G.	162.50
O. H. Wallop	8.70	R. G. Collins	97.25
Jas. Turner	315.95	"	247.00
"	25.00	"	19.00
R. G. Collins	201.80	R. G. C., O. H. W. and E. M. G.	326.29
E. M. Goodrich	243.85	Telegrams, &c.	7.65
O. H. Wallop	327.95	Overdrafts, &c.	4.50
R. C. McBroom	92.00	R. H. Walsh	652.41
O. H. Wallop	165.45	J. R. Edgehill	20.00
O. P. Benefiel	13.65	C. W. Ames	133.50
J. Turner (part)	8.50	J. H. Hale	9.75
R. G. Collins	182.95	McDonald	224.00
"	231.45	J. Hackley	235.00
J. Walsh	15.00	Exchange	34.00
O. H. Wallop	20.00	J. Walsh	46.95
J. Hackley	34.47	W. J. Fransham	229.00
"	80.00	Foster	44.50
R. H. Walsh	200.00	Ex. Grand Junction	142.82
"	135.00	Hackley and Dunning	819.73
J. H. Ross	238.25	O. H. Wallop	35.00
"	11.75	February—	
M. Bros.	43.00	Meza County Bank Checks	874.39
M. Bros. and Hackley	1,530.00	"	874.29
R. H. Walsh	240.00	Hackley and Dunning	353.60
J. Hackley	10.00	M. McDonald	12.50
J. Walsh	7,096.30	L. Dunning	82.65
Grant Dunning	125.00	E. M. Goodrich	176.40
M. Bros.	395.50	R. C. McBroom	208.50
Expenses	111.33	R. G. Collins	80.96
R. G. Collins	311.40	O. H. Wallop	240.82
E. M. Goodrich	46.50	C. E. Foster	76.50
"	70.80	R. H. Walsh, et al	287.01
R. G. McBroom	220.50	J. Walsh, Exp. Ont.	797.00
O. H. Wallop	233.70	W. C. Dunning	122.63
"	1.00	J. Edgehill, et al	283.25
"	141.68	C. E. Foster	78.75
J. Sherman	290.75	L. Dunning	142.20
"	465.45	J. Hale	39.50
O. H. Wallop	420.25	Telephone account	15.00
"	929.56	L. Dunning	75.00
J. Walsh, per O. H. W.	1,000.00	W. Cooper	69.30
"	6,700.61	A. Chapman	41.90
"	106.19	Gus Allen	35.00
M. Bros.	1,477.18	W. Davis	15.00
R. H. Walsh	20.00	O. Pipes	10.00
Telephone, &c.	32.38	O. Verley	10.00
R. G. Collins	12.25	J. Sherman	35.00
O. P. Benefiel	703.35	Hackley and Dunning	25.00
W. J. Fransham	448.30	J. Hackley	202.15
M. Bros.	1,337.80	O. Benefiel	36.50
"	708.70	"	526.20
C. Foster	65.36	"	361.80

Mr. Malcolm
Moncrieffe.

12 April 1902.

GENERAL EXPENSE ACCOUNT—continued.

February :—	Dollars	December, January, and February :—	Dollars.
R. McBroom	22.20	B. Lumbeck, rider	225.00
R. Collins	6.85	G. McMurlin, rider	225.00
M. Warner	167.75	F. Richardson, rider	65.00
Fruit Growers' Association	3.05	N. P. McCoy, rider	75.00
Dressed Meat Company	147.28	W. Cooper, rider	225.00
H. Browne	29.00	C. Thompson, bridle and shipper	150.00
J. Franklin	24.00	C. Robinson, brander	150.00
G. Haskell	5.00	R. Long, brander	150.00
Railway Meat Market	28.75	T. Aston, bridle and shipper	150.00
R. P. Lumber Company	40.75	T. Dorritt, bridle and shipper	102.00
J. Ballantine	23.50	C. Marchbanks, leader	43.60
International Bank, Walla Walla	12.50	J. Jones, leader	40.00
L. Co-op. Ins.	4.20	J. Kelly, leader	50.00
Overdraft Expenses	552.18	Tom Lee, cook	150.00
M. Bros.	90.18		
W. H. Lee	72.85		4,500.60
Donation, church repairs	100.00		
Livery Bill	103.20		
White Mer. Company	191.79		
Campbell and Company	11.75		
C. Ballantine	21.10		
W. U. Telegraph Company	158.45		
M. M. Company	6.68		
Lee and Bunting	11.50		
C. Duckett	3.00		
Electric light	6.35		
T. Boyd	2.25		
J. Hale	56.00		
Bank, Ontario, Ore	60.11		
Ed. light	218.71		
J. Sherman	113.75		
O. H. Wallop	80.90		
	1,790.30		
	437.97		
	42,720.45		

FEED, FREIGHT, AND SHIPPER'S CHARGES.

December, January, and February.	Dollars.	December, January, and February :—	Dollars.
January :—		O. P. Benefiel	270.00
19.—W. R. Gavin	25.45	R. C. McBroom	362.25
20.—12 cars to Lathrop	2,429.10	McBroom to Goodrich	105.00
22.—14 cars to Lathrop	3,231.03	O. H. Wallop to Goodrich	273.00
23.—H. R. Stevens	24.00	O. H. Wallop to McBroom	216.00
24.—Feed charges	105.00	O. H. Wallop to J. H. Ross	42.00
25.—I. E. Jones	7.70	Charles Fields	457.60
25.—H. R. Gavin	14.00	James Hackley	358.15
27.—12 cars to Lathrop	2,457.66	O. H. W. to Sherman	316.00
30.—Freight charges from Rifle	53.00	O. P. Benefiel	447.00
30.—10 cars to Sheridan, Grand Junction	1,440.00	Hackley to Dunning	56.50
30.—12 cars to Lathrop	2,586.79	E. M. Goodrich	735.00
30.—Feed charges	115.80	J. Hackley	500.00
February :—		J. H. Hale	100.00
4.—10 cars to Lathrop	2,123.56	McDonald	477.00
8.—Feed charges	58.80	C. E. Foster	141.75
10.—6 cars to Lathrop	1,240.70	L. Dunning	436.00
19.—2 cars from Clairmont	315.80	W. D. Alexander	193.00
19.—5 cars to Rifle	141.50	W. J. Fransham	416.75
19.—10 cars to Lathrop	2,179.20	J. K. Edgehill	150.00
22.—16 cars to Lathrop	3,348.21	S. H. Hale	188.00
22.—2 cars from Sheridan	312.60	C. W. Ames	143.20
23.—Shipper charges	5.00	M. McDonald	1461.70
March :—		L. Dunning	417.00
1.—22 cars to Lathrop	4,463.43	O. Benefiel	804.00
January :—		R. G. Collins	83.95
1.—Freight	194.10	M. Warner	55.00
1.—Ontario Freight Account, per J. W.	14,799.92	Edward Light	45.00
February :—		J. Hackley	723.00
27.—Feed charges	58.00	J. Walsh	165.75
	41,730.35		10,144.60

SALARIES AND LABOUR.

December, January, and February :—	Dollars.
J. Walsh, Secretary, Traffic Manager	450.00
G. Dunning, foreman	375.00
J. Holland, clerk and Vet. Surgeon	300.00
Ed. Thorpe, rider	225.00
Ira Hawkins, rider	225.00
Orrin Brown, rider	225.00
H. Brennan, rider	225.00
G. Graham, rider	225.00
W. Cooley, rider	225.00
B. Earsley, rider	225.00

DAY LABOUR AT INSPECTIONS.

December, January, and February :—	Dollars.
5 branders at 2.25 per diem	438.15
6 bridlers " 2.25 "	526.50
10 leaders " 2.00 "	780.00
2 saddlers " 2.25 "	165.50
2 gatemen " 2.00 "	156.00
2 clippers " 2.25 "	165.50
1 blacksmith " 2.25 "	87.75
	2,319.40
Total Salaries and Labour	6,820.00

COMMISSION ACCOUNT.

December, January, and February :—	Dollars.
O. P. Benefiel	270.00
R. C. McBroom	362.25
McBroom to Goodrich	105.00
O. H. Wallop to Goodrich	273.00
O. H. Wallop to McBroom	216.00
O. H. Wallop to J. H. Ross	42.00
Charles Fields	457.60
James Hackley	358.15
O. H. W. to Sherman	316.00
O. P. Benefiel	447.00
Hackley to Dunning	56.50
E. M. Goodrich	735.00
J. Hackley	500.00
J. H. Hale	100.00
McDonald	477.00
C. E. Foster	141.75
L. Dunning	436.00
W. D. Alexander	193.00
W. J. Fransham	416.75
J. K. Edgehill	150.00
S. H. Hale	188.00
C. W. Ames	143.20
M. McDonald	1461.70
L. Dunning	417.00
O. Benefiel	804.00
R. G. Collins	83.95
M. Warner	55.00
Edward Light	45.00
J. Hackley	723.00
J. Walsh	165.75
	10,144.60

HAY ACCOUNT.

March 25th :—	Dollars.
Hay fed at yards to date, 1,322 tons at 8 dollars per ton	10,576
Hay fed at Mesa, 692 tons	5,536
Haying cars to date, 41 tons at 12 dollars	492
	16,604

SUPPLEMENTARY,

Quarantine Account.

February :—	Dollars.
As per statement per Feed Carroll	362.03
Salt as per account (13.00) Freight (6.10)	19.10
Balance as per account, No. 2	22.30

GENERAL EXPENSE ACCOUNT—continued.

Mr. Malcolm
Moncrieffe.

12 April 1902.

February:—	Dollars.
Carpenter's account, per Mr. Carroll	196.20
Tobacco powder	122.00
Hay	7,104.00
Building corals, &c.	64.10
Freight on horses from Bovine to De Beque	27.00
Labour (approximate)	500.00
	<u>8,659.73</u>
Deduct hay	7,104
	<u>1,855.73</u>

FEED CHARGES.

At 16 cents per head per day.

	Dollars.
December 1st to 31st	1,021.92
January 1st to 23rd	485.76
January 28th to 31st	82.24
February 1st to 28th	395.68
	<u>1,985.60</u>

STATEMENT.

NUMBER OF HORSES RECEIVED BY GOVERNMENT.

	Dollars.
December.—663 horses	61,725
„ 739 „	68,560
January.—955 „	88,960
„ 524 „	49,235
February.—641 „	59,735
„ 652 „	59,380
	<u>387,595</u>

	Dollars.
General expense account	42,720.45
Commission account	10,144.60
Salaries	6,820.00
Hay account	16,604.00
Freight expense account	41,730.35
	<u>118,019.40</u>
Quarantine account	1,855.73
	<u>119,875.13</u>

REPORT ON OPERATIONS at GRAND JUNCTION, 15th April 1902.

15 April 1902.

I inspected the corrals, &c. belonging to Messrs. Moncrieffe Brothers, at Grand Junction. This is one of the dealers whose horses Lord Fingall passes.

The corrals are situated two and a half miles from the station, and are large and suitable for the purpose.

I did not see any horses inspected, as Sir R. Stewart proposed to see that done by Lord Fingall at Ogden.

The inspection corrals were well adapted for the purpose, the ground being hard.

There were some 200 or 300 horses there, of a very good stamp, and in good condition. Most of them were horses which had been temporarily rejected for

manners. These were being trained and handled by the cowboys.

As there is no respectable hotel at Grand Junction (there is no town, and the only inhabitants are the railway employees and a few cowboys) I lunched and dined at Messrs. Moncrieffe's house, going on to Salt Lake City in the evening.

When the inspecting officer visits Grand Junction to pass Messrs. Moncrieffe's horses, he stays at Messrs. Moncrieffe's house with his veterinary surgeon, and they pay for their board and lodging.

(Signed) E. HOLLAND,
Lieut.-Colonel R.F.A.

Ogden, 18th April 1902.

28th Witness:—Mr. HERFORD, of Messrs. Harold Lowther and Herford.

Mr. Hereford.

18 April 1902.

374. Since when have you been supplying horses to the British Government?—The first order we received was in June 1901. Since that date we have sold about 6,000 horses to Government. Major Powell was the first purchasing officer, and since October 1901 Lord Fingall. None of the horses have been bred by us; they have all been purchased. They have come from Washington, Oregon, Idaho, Montana, and Utah.

375. At what price, and where delivered, have you sold them horses?—The horses have all been delivered at Lathrop, Missouri. The prices at first were 15 to 15.2, 100 dollars, 14.2 to 14.3½, 85 dollars. To show the difficulties we have been under, I bought 48 horses in June 1901, which cost us about 72 dollars a head at one inspection point, they were about 15.1 to 15.2, and owing to the prejudice against the larger horses, the inspecting officer would not take one of them at that time; 20 of them were taken a month later. The standard was reduced later on to 15 to 15.1, 100 dollars, 14.3 to 15, 85 dollars. Now the standard is 14.2½ to 15, 85 dollars, 14.1 to 14.2½, 70 dollars. 100 dollars is given for exceptionally good animals. Just as we had collected horses of the stamp which we found suited, the first inspecting officer, he was changed, and the horses did not suit his successor. The consequence

was that we had 250 horses thrown on our hands. This was notwithstanding the fact that Lord Fingall interpreted the specifications in a very liberal manner, in view of the change. I have calculated as closely as I can from the amount of money put into the business by Mr. Lowther and myself, and from our bank account, stock in hand, and expenses of every description, and find that we have made an average profit of 19 dollars and 58 cents on every horse sold to Government.

376. In the states in which you have been buying, did you find agents of other dealers?—Yes, practically everywhere. As a matter of fact, although this rather raised the prices, it caused more horses to be broken by the dealers and kept up the supply.

377. Have your dealings with the purchasing officers and the veterinary surgeons been always satisfactory?—Yes, quite. I should like to state that I offered my services to the British Government at the commencement of the war, in any capacity, and am now ready to serve in any way. I thought the Government would have bought horses direct from the breeders for the same prices, about, as we did; but the profits we have made would have been eaten up by the enormous staff they would have been obliged to keep up.

Chicago, 22nd April 1902.

29th Witness:—Colonel U. DE BURGH.

Colonel U. de
Burgh.

22 April 1902.

378. Mr. Moncrieffe states that he thinks he will be unable to supply Class C cobs at a profit, and he is of opinion that unless more horses are put into Class B he will not be able to supply horses. He would rather prefer that Class A should be done away with altogether, and that he should provide only Class B. We should like your opinion on this?—I quite agree as to Class C.

I never thought that it would be possible for any dealer to go on for any length of time finding Class C; but, inasmuch as this class was proposed by a new dealer in Colorado, I thought it wise to put all dealers on even terms, on the ground that what one man can do another, under equal conditions, ought to try to do. At the same time, I impose no obligation on the dealer

Col.
U. de Burgh.
22 Apr. 1902.

to accept Class C. The previous condition has always been that any cob under 14'3 which, though smaller, could carry the weight of a 14'3 cob should be accepted in the B class. But, in order to eliminate ponies as distinct from small horses being shown at the 85 dollar price, I told all dealers that if they, on their part, refused to accept Class C, I, on my part, would adhere rigidly to my specifications for Class B, namely, a minimum of 14'2½ hands high. I am opposed to abolishing Class A, or to giving special terms to any one dealer. I found the institution of that class of enormous value in inducing the dealers to spend more money, in the hope of obtaining a higher price. This class is very sparingly admitted by the inspectors, so I am sure our Government has greatly profited.

379. You are aware that Lord Fingall and his veterinary surgeon, at Grand Junction, are boarding with Mr. Moncrieffe?—Yes; I do not consider these to be his headquarters, and I know that he is never there except when he is engaged on duty. While he is there he does live with Mr. Moncrieffe, in the boarding-house which the latter has taken, and that he pays rent for the same. I have done the same myself, and my officers do this, with my sanction, wherever there is no respectable hotel. The rule of the Commission is that no officer

accept any sort of hospitality from a dealer if there be any alternative. On this point I have spoken clearly and frequently to Mr. Moncrieffe and other dealers. Some inspections are held at least 30 miles from any possible habitation.

380. Have you opened any purchasing operations in Chicago for South Africa?—No; for several reasons. 1. I have never had a single tender from Chicago, or offer of any kind; 2. Chicago is the market for big horses for export. The small horses, which in very small numbers drift into the Chicago market, come from the states of Kansas, Nebraska, and North and South Dakota mainly, and these States already supply my centres in Kansas and Wyoming respectively; 3. The health reports of the Chicago market during 1901 were bad, though Chicago will never admit this; 4. Until August last my staff was not large enough to admit of an officer being permanently quartered in Chicago, considering the number of suitable horses available. The fact of my not having had a tender from here inclines me to believe that there is no natural market here for small horses. Chicago is 500 miles farther from New Orleans than is my present base in the central States.

Mr.
W. A. Bruette,
M.D., V.S.

30th Witness:—Mr. W. A. BRUETTE, M.D., V.S., Inspector United States Department of Agriculture, Bureau of Animal Industry, Chicago.

381. What is your opinion as to the possibility of opening up a market for remounts in Chicago?—I hand in a memorandum showing the number of horses in the Eastern, Southern, Middle, and Western States of the United States, which is gathered from the statistical returns in the Bureau of the Agricultural Department.

	Horses.	Values
		Dollars.
Eastern States - - -	1,762,000	110,000,000
Southern States - - -	2,200,000	75,000,000
Middle States - - -	8,400,000	400,000,000
Western - - -	1,100,000	—

EXPORTS.

	1901.	1900.	1899..
Great Britain - - -	18,377	28,962	24,288
Canada - - -	14,323	9,571	9,452
Germany - - -	553	2,637	4,343
France - - -	—	19	687
Rest of Europe - - -	711	2,334	4,289
Africa - - -	59,096	23,242	89

From this it will be seen that there are 8,400,000 horses in the middle and western States, whereas in all the others put together there are 5,062,000, and fully one third of these were bred in the above section. These States, which include Illinois, Indiana, Iowa, Wisconsin, Michigan, Minnesota, have never yet been tapped by the purchasing officers of the Remount Department, and there are there as good, if not better, horses for army purposes than in the west.

382. But are not the horses bred in these districts of a higher class than what is required for the British Army, and only to be procured at a higher price than what the Government are prepared to give?—These districts are the best breeding grounds of all the best horses in America, and where so many are bred there are to be found horses of all classes, and army horses could be procured in large numbers. Breeders have imported the best sires that money could buy, and whilst they endeavour to produce horses of the highest class, there is a large number of small horses which farmers utilize for their own purposes, the surplus of which would be available if there was a market near at hand. Moreover, these horses having been bred on small farms, and handled at an early period, are more tractable and better broken to saddle and harness than those which are bred in herds in the west. Chicago,

from its position, is the greatest horse market in the United States. It has 25 railroads running to it from all points. It is in direct communication with the principal ports, there is a direct route to New Orleans and to New York. Dealers would bring horses of this class in great numbers to Chicago in preference to other points, because it is the only market in the United States for all classes of horses. In the Chicago stock yards, which have accommodation in stalls for 6,000 horses, with large barns, show rings, and running grounds, there is every facility for stabling, examining, and purchasing. Every horse entering the stock yards for export is examined by the officers of the Agricultural Department for Health, and no horse can leave there without a certificate of soundness of health. The market is an open one. The stock yards, in addition to stalls, have paddocks and pens paved with vitrified brick that will accommodate 25,000 horses. They are constructed so that they can be flushed clean with running water in every pen, and disease cannot get a hold in them. 25,000 horses can be unloaded, fed, and loaded in two hours without preparation. It is only necessary to make arrangements with the Stock Yards' Company to insure due notice being given to shippers, and the horses would come on its being widely made known that on a given day an officer would be present to purchase remounts. There would be no middlemen. Every breeder who chose to bring horses would be in a position to show them. Allow me to say that by establishing depôts in the different horse breeding parts of this country, and by ignoring this great natural market, officers have gone themselves to the dealers, thereby enhancing the price. Whereas the only way of doing business on a large scale is to bring the dealers to a great central market such as is to be found in Chicago, where there is a market for horses your officers reject. Breeders cannot be expected to ship to a point that is a market for only one class of horse.

383. But are there not large numbers of horses bred in Texas and the south-western States which would suit the purposes of the Army, and which owners would not send to Chicago? Where would you advocate a depôt to be established for purchase of these horses?—Texas has over 1,100,000 horses, with an average value of about 17 dollars. From the conditions under which they have been bred, a large percentage are necessarily of an inferior quality. The better grades, if properly fitted, are useful animals. Under normal conditions about 10,000 range horses of the best grade are sold in the Chicago market. Texan horsemen have no hesitation in shipping their horses to Chicago, as the expense of transportation is counterbalanced by there being a market for their rejects. Chicago, however, is not a natural market for Texas horses, and bringing them here defects from regular trade channels. Fort Worth, Texas, offers more advantages than any other point in that section.

31st Witness:—Mr. SPOOR, Director Stock Yards' Company, Chicago.

384. Would you be so good as to state if you think horses suitable for the army could be purchased in Chicago?—I am in a position to say that if a Remount Officer came to Chicago he would be able to get a large number of horses required for the army, and would find every facility in the stock yards for housing, purchasing, examining, as many horses as he required. We have accommodation for 6,000 horses, with the largest show ring in the world, and large paddocks. Every arrangement could be made on the spot for

receiving, despatching, shipping, examination, &c. The railways have depôts which run direct to the yards, and horses can be entrained to any port in the United States without leaving the stock yards' premises. We have rates for keep and stabling of horses whilst waiting entraining after purchase, and any arrangements which were suitable would be made with the officers of the Remount Department, who would find the Company ready to meet their wishes in every way so as to obtain a portion of this trade to the Chicago market.

Mr. Spoor.

22 Apr. 1902.

32nd Witness:—Mr. ERSKINE, Vice-Consul.

Mr. Erskine.

335. Knowing that you have interested yourself in the question of horse supply for the British Army, would you be so good as to afford us any information in your power?—I hand in a report of the horse industry in the United States, dated August 1901, compiled from official sources, and draft of reports on this subject for perusal. My report covers a good deal of the ground Dr. Bruette and others have given information about, which I should only repeat, but I am ready at any time to answer any question or to obtain any information as far as I possibly can.

336. Have you discussed this question with Colonel de Burgh and remarked to him the advantages of the Chicago market?—On March 18th, 1901, Captain Wyndham wrote Colonel de Burgh, who, we heard, was coming to Chicago to buy horses, with a few suggestions. A reply was received saying that Colonel de Burgh was not coming to Chicago to buy horses, and had no intention of doing so, and he requested that we should give this statement all publicity. In July Colonel de Burgh called at the Consulate, but did not wish to see the yards. On August 15th he wrote asking us to obtain figures showing the number of horses in the country. I sent him the figures that appear in my report, and the report on its publication. We were very willing to give assistance in every possible way if requested, but could not give unsolicited advice. When Colonel de Burgh wanted information as to dealers a few weeks ago he wrote to an Englishman, a cattle commission man, on the subject, and not to the Consulate. I requested Dr. Bruette and the Agricultural Department to supply me with the desired figures, and many thousand letters were sent by them, but the returns were not what they expected, and they refused to give them to me for publication. These figures are now being prepared by instructions from the Secretary, and will be forwarded as soon as ready.

337. What is your opinion of the advantages of this market for the supply of army horses?—Chicago has increased its trade during the past year, while every other market has lost heavily in numbers. Although no horses for South Africa have been purchased by British Officers or agents, the number of horses of the class termed now in the trade "warriors," passing through this market ranges from 100 to 250 a week, and the majority of these are sold by commission-men to dealers, who re-ship them to other points for re-sale to British Army purchasers. If this number of horses suitable for army purposes is received in a market where it is known there is no special call for them, it would appear certain that if there was a demand the supply would soon increase in response. Many breeders would prefer shipping to commission-men at a large market where there would be a chance of selling not only their rejected horses but any of a good quality which were either too heavy or too light for army purposes. A man with a lot of rejects on his hands, and who knows he is likely to have a percentage rejected has, if there is no market for them, to get more than he would otherwise for the accepted horses. Many of the horses sold at this market are anything but high class, but it is very seldom that any of the 2,000 or 3,000 received weekly are carried over Sunday. There are many thousand pedlars in Chicago who use up an astonishing quantity of the inferior horses during the year. The commission-men would also be careful that all horses presented would arrive in Chicago in good condition, fit and ready to work, although the western range horse would still have to be taught to eat grain. The chief difficulty would appear to be the keeping of a large number of horses while being tested for glanders. A large number of horses are bought here for export to Great Britain, and they are shipped as soon as possible, and no outbreak of glanders has been reported. My horse report was written with regard to the horse of commerce, and the army horse was only referred to. From all the information I can gather, there appears to be no danger to be feared from glanders among horses bred in the middle, west, or

corn-growing states, as these horses are kept on farms where they cared for and watched. No cases have been reported from the thousands of animals exported to Great Britain and the Continent annually, but if there have been cases the percentage can easily be found out in Great Britain. Most of the horses which would be sent to this market, if it was decided to buy here for the South African troops, would be drawn from the breeding farms of the middle west, and would be ready and fit to work without the extensive preparation both in feeding and breaking necessary with the range horse.

State.	No. of Horses.	Under 1.	Over 1, under 2.
United States	18,280,007	1,315,208	1,447,747
Alabama	152,643	8,724	7,846
Alaska	5	—	—
Arizona	125,063	18,976	22,283
Arkansas	253,590	16,815	14,179
California	421,293	23,049	24,639
Colorado	236,546	23,645	27,360
Connecticut	52,576	429	1,480
Delaware	29,722	1,590	1,903
District of Columbia	854	16	24
Florida	42,811	2,239	2,185
Georgia	127,407	4,028	4,525
Hawaii	12,982	379	1,522
Idaho	170,120	18,212	20,832
Illinois	1,350,219	107,967	115,377
Indiana	751,715	52,426	54,820
Indian Territory	217,699	20,054	19,253
Iowa	1,392,573	124,527	133,589
Kansas	979,695	72,539	78,447
Kentucky	451,697	26,487	24,927
Louisiana	194,372	13,510	12,076
Maine	106,293	2,834	3,955
Maryland	148,994	8,942	9,938
Massachusetts	75,034	799	2,298
Michigan	586,599	31,018	38,406
Minnesota	696,469	45,504	51,399
Mississippi	229,311	17,089	14,489
Missouri	967,017	68,177	63,214
Montana	329,972	39,838	44,850
Nebraska	795,313	66,776	73,082
Nevada	80,295	10,778	11,001
New Hampshire	54,866	702	1,543
New Jersey	94,024	1,826	3,054
New Mexico	131,153	16,666	16,550
New York	628,438	20,027	30,033
North Carolina	159,153	5,807	5,927
North Dakota	359,948	28,625	32,181
Ohio	878,205	55,324	67,332
Oklahoma	303,631	26,933	28,382
Oregon	287,932	26,138	27,682
Pennsylvania	590,981	28,547	36,584
Rhode Island	11,390	91	179
South Carolina	78,419	2,701	3,188
South Dakota	480,768	47,124	52,659
Tennessee	352,388	23,853	23,109
Texas	1,269,432	93,429	96,825
Utah	115,884	11,395	13,515
Vermont	85,531	2,489	3,852
Virginia	298,522	19,257	20,291
Washington	243,985	22,359	30,312
West Virginia	185,183	11,947	12,963
Wisconsin	555,756	33,889	41,983
Wyoming	135,543	16,712	19,754

North Atlantic Division	1,699,139 horses valued at	\$ 123,349,325
South Atlantic Division	1,071,070	59,905,516
North Central Division	2,794,262	516,030,691
South Central Division	3,424,763	131,144,238
Western Division	2,277,786	66,083,447

These are the latest returns issued by Statistician of Department of Agriculture, date April 14th, 1902.

* Supply Chicago market.

Mr. Erskine.

The United States exports annually from 20,000 to 30,000 horses to England.

22 Apr. 1902.

This business is entirely in the hands of the English dealers, who send their buyers to Chicago.

If the English buyers attempted to go to the breeder in the country to make his purchases he would be unable to do business.

By insisting on the breeder shipping in to him at Chicago, he is able to conduct satisfactory transactions.

The Americans who have attempted to control this business by exporting horses and selling them in England have failed, and, with but few exceptions, the business is in the hands of the British dealers, which in itself is a guarantee of the fairness of the rules of the Horse Association as well as the ability of the buyers.

The military horse supply of the United States can best be developed by following similar lines.

Breeders will ship in horses for inspection if the inspection point be at an open market where they can sell their rejects. They cannot be expected to ship their horses to a private camp or sell through a few men.

There will be no difficulty in obtaining an unfailing supply of horses, as 86 per cent. of the horses in the United States are still on the farms.

WILLIAM A. BRUETTE,
Inspector B.A.I.,
Department of Agriculture.

STATEMENT by MR. ERSKINE, Vice-Consul, Chicago.

A.—*The place recommended for the headquarters of a purchasing commission to conduct operations.*

Chicago for horses.

St. Louis and Kansas City for mules.

B.—*Information as to above place, means of getting about, accommodation, and railway facilities.*

Chicago is the largest horse market in the world, easy access to all parts of the city and surrounding country, and railroads running to every part of the United States.

St. Louis and Kansas are the centres of the mule trade, and have extensive dealings in the Southern, Texas, and Western Range horses.

Chicago is located in the centre of the breeding States, agricultural, and 90 per cent. of the high-class horses of the States make their first change of ownership at this point. It is the regular export centre.

Over 100,000 horses pass through this market annually. Of these only 10 per cent. are Western horses. The majority are high-class horses—bussers, draught, and general purpose horses—with a percentage of over 50 per cent. inferior.

In 1901 the markets of Kansas City, St. Louis, and Omaha showed a very heavy falling-off of receipts, while the Chicago market increased in numbers. This is chiefly accounted for by the fact that the horses bought for the British Army were of the class that generally goes to the former cities, and the supply has been very heavily drawn upon.

Up to this time the American horsemen have not regarded this class as desirable, as many of them are small, and a large horse is always in demand.

C.—*Names of large owners of horses and mules, 500 and upwards.*

Few breeders or dealers now possess 500 horses of good quality. The following have 300 at least: Leroy Marsh, Galesburgh, Ill.; Hobson Bros., Clifton, Ill.; G. S. Igo, Indianola, Ia.; E. E. Powell, Red Oak, Ia.; Frank Ayres, Burlington, Wis.; W. J. Davis, Crown Point, Ind.; J. H. Parker, Unnerville, Mo.; J. R. Spalding, Mo.; Frank Sarus, St. Paul, Neb.; William Miller, Techmseh, Neb.

D.—*Names of dealers on a large scale.*

Leroy Marsh, Galesburgh, Ill.; Holcott, Beers & Co., Kansas City; Captain Tough, Kansas City; Nimms & Britten, St. Louis; Campbell & Co., St.

Louis; Newgass & Co., St. Louis; John Cooper & Co., Elsworth McNair, E. H. Schloman, A. D. Elder & Co., F. J. Berry & Co., Chicago Horse Sale Co., and L. M. Newgass.

E.—*Horses: their class, advantages and disadvantages, numbers available, to what degree trained, suitability for light and heavy cavalry or mounted infantry.*

The horses in the Chicago market run generally between 15.1 and 16. Most are sold quiet to ride and drive. The horses from the Middle States are generally raised on farms, and are tractable. Many draught horses are sold. Many horses sold as bussers are exported to England, and are said to be bought for the artillery and cavalry. For mounted infantry about 200 a week pass through the market, and at present half of these are being bought for shipment to St. Louis, where they are presented to H.M. Officers for inspection. This number would increase if the demand increased. Refer to Report on Horse Industry, F. O. Misc., 563.

F.—*Mules, packer draught, as per para. F.*

Chicago handles few mules. The supply appears to be equal to any demand at present. Refer to Horse Industry Report.

G.—*Prices at 6 to 9.*

	£	s.	d.	to	£	s.	d.
1. Heavy draught	25	15	6	to	51	11	0
2. Light draught	20	12	4	„	41	4	9
3. Heavy cavalry	25	15	6	„	51	11	0
4. Light cavalry	20	12	4	„	41	7	9
5. Mounted infantry	7	4	4	„	12	7	5

The prices of No. 5 would rise if an increased demand arose in this market.

The grades of horses quoted in this market at present are:—

	Poor to fair.			Good to choice.		
	£	s.	d.	£	s.	d.
Drafters	20	12	to 26	28	17	to 49
Expressers	20	12	„ 24	26	16	„ 36
Bussers	15	9	„ 20	23	14	„ 26
Farm Chunks	13	8	„ 16	17	10	„ 22
Coachers	15	9	„ 25	18	17	„ 92
Carriage teamers	30	18	„ 51	61	17	„ 154
Saddlers	15	9	„ 20	22	13	„ 36
Western branded	2	1	„ 6	8	5	„ 12
Plugs and scrubs	2	1	„ 3	4	2	„ 6

Dr. Dyson.

33rd Witness.—Dr. DYSON, Inspector United States Department of Agriculture.

388. Will you kindly give us your opinion as to the advantages of the Chicago market for horses?—In reply to your request of the 28th ultimo, the following data relative to Chicago as a horse market has been compiled from the United States Government Census Report and other sources equally authentic and reliable:—Under ordinary commercial conditions Chicago receives annually from 100,000 to 125,000 horses. A large increase over this number would be the natural result of a special demand for any particular class of horses, as the States of Minnesota, Wisconsin, Michigan, Iowa, Illinois, Indiana, Ohio, Missouri, and Kentucky, directly tributary, contain 7,630,230 horses,

or 42 per cent. of the total number of horses in the United States. Furthermore, at least 75 per cent. of all the horses in the United States are bred in this section, and despite the heavy drains made upon the country, there has been in the last 10 years an increase in the number of horses of over 11 per cent., and of the 21,000,000 horses now in the United States, over 86 per cent. are on the farm, which is an assurance of an unfailing supply. The advantage of Chicago as a purchasing point for any particular class or type of horses is largely due to the fact that there are over 1,000 regular shippers to this market, who in response to the shortest notice could cover the breeding sections

of the country and secure a sufficient number of horses to supply any possible demand; also that the small breeder or shipper has no hesitancy in shipping a mixed load, as he has an assured market for all classes. Thousands of the best type of Western or Range horses are annually received and sold here to replace on the farms in sections directly tributary to this market, the better bred horses that have been sold for exportation or city use. Any demand for this class could be readily supplied on short notice. In my opinion, at least 10 per cent. of the horses in this

section would be suitable for some branch of your military service. Horses ranging from 14 to 15 hands, of good conformation, serviceably sound and well broken, range in value from 30 dollars to 60 dollars; the same class from 15 to 15½ hands, from 60 dollars to 100 dollars. Horses 15½ to 16 1, of superior class as regards conformation, action, &c., sell at 100 dollars and upwards. The facilities for handling horses at this point, as you are undoubtedly aware, are unexcelled.

Dr. Dyson.
22 Apr. 1902.

34th Witness:—Colonel SKINNER recalled.

Question by Sir Richard Stewart.

(See telegram.)

389. Under what instructions or regulations is allowance of officers reduced when reported sick?—I am not aware of any regulations reducing the allowance of officers when sick, except those contained in paragraphs 271-274 Allowance Regulations. But under War Office letters 14, Remount Department (203), 13th February, 1902; 14, Remount Department,

(367), 11th December, 1901; 14, Remount Department, (387), 28th January, 1902, stoppages were made from Captain R. L. Fenner, Major Powell, and Civil Veterinary-Surgeon J. Borrowman. The first-named while he was ill with typhoid fever, and the other two while absent from duty owing to kicks from horses.

Col. Skinner?

35th Witness:—Colonel M. STEVENS, late Bombay Cavalry.

390. We find that the maximum price fixed for cobs from Captain Marsham's evidence, was 80 dollars, whereas Colonel de Burgh says that he found the price fixed at 85 dollars. Can you explain this?—No horses were purchased before my arrival for the British Government, and the first order I had was to buy 1,000 cavalry horses, large horses. The price was fixed at 125 dollars by myself in communication with Captain Marsham. When I received an order for cobs subsequently, I fixed the price at 85 dollars for them, also

in communication with Captain Marsham. This was the lowest tender I could obtain. The above were the prices at Kansas City. The price of the Texan cobs procured from Messrs. Anson and Mr. Steger was 70 dollars. I also bought cobs from Messrs. Moncrieffe Brothers in Wyoming at 85 dollars landed at Kansas City. This in the second order I gave them was reduced to 82½ dollars delivered at Kansas City, as far as I recollect. I was buying horses from February 1900 to September 1900.

Col.
M. Stevens?

36th Witness:—Captain Honourable MARSHAM, 7th Hussars.

391. We find that in your evidence you state that the price for horses was:—Cavalry horses, 125 dollars, police horses, 90 dollars, yeomanry horses, 80 dollars, mounted infantry horses, 75 dollars. Colonel de Burgh states that on his arrival he found the price for cobs fixed at 85 dollars. Can you explain the reason for the rise of prices?—When the urgent demand for horses in large numbers came I found that I was obliged to raise the prices. Whenever I altered the prices I communicated with the I.G. Remounts by cable.

392. Did you make any representation about your staff being inadequate?—Yes, frequently, from time to time I asked for more purchasing officers and for assistance at the base, both veterinary and office. Veterinary I was informed must be procured in the country as no veterinary surgeons were available in England.

Capt. the Hon.
Marsham.

APPENDIX A.

Private and Confidential.

The Planters' Hotel,
St. Louis, U.S.A.,
19th November 1900.

MY DEAR MARSHAM,

You happened to ask me just before parting the last time, whether I had seen or heard of Mr. Steger, and I had not until yesterday, he notified me he was in Kansas City and came on here to see me. Well, the upshot is that he has been able to explain

away several matters to me to my satisfaction, and I think he is sorry for the stand he took. He informed me he has made up his mind he is not going to apply for further contracts, and is satisfied that information he had received to my detriment was false, and he will no doubt write and tell you so, and he will further inform you that he withdraws all charges he made against me.

I am, &c.,
(Signed) S. M. SMITH.

(True copy),
E. HOLLAND, Lieut.-Colonel.

APPENDIX B.

To Captain the Hon. R. MARSHAM.

The New St. Charles,
New Orleans,
October 20th, 1900.

SIR,

I HAVE the honour to report that with the assistance of Mr. Brownrigg, M.R.C.V.S., I have inoculated with mallein the 1,410 mules, part of which are designed for shipment in the ss. "Monarch." A marked reaction was obtained only in a few cases, and these have been isolated for further observation.

I regret to state that a large number of the mules purchased at Dallas, and very many of those also sent

from St. Louis and Kansas City, are quite unsuitable for shipment to South Africa, and should not have been accepted for that purpose.

Apart from narrow, leggy, ill-formed animals, of which there is a large preponderance, I repeatedly met with worn-out mules over 15 years old, which are manifestly not worth sending, and which, in my opinion, the contractors should be compelled to replace.

I have, &c.,
(Signed) W. R. DAVIES.

(True copy),
E. HOLLAND, Lieut.-Colonel.

APPENDIX C.

To Dr. Wm. O. DAVIES, New Orleans, La.

Bonham, Texas,

December 1st, 1900.

DEAR SIR,

SINCE seeing you and before Captain Fenner came here, I have visited Kansas City and St. Louis, and find my course exceedingly unpopular. The mule and horse men take the position that should they tell anything derogatory to Captain Smith, their business would be taken from them, as it has been from me, and that if the business was not removed from America, that it would be placed in new hands. Strong consideration for them, and because it has ruined me, I made up my mind to have no more to do with the matter.

I did what I did for self-preservation. It proved self-destruction.

Poor Brownrigg was to do *the whole thing* when we went together to New Orleans. Now he is so nervous over the part he has taken, he is afraid to be seen with me, and Captain Smith thinks B. is his staunch friend.

I found Captain Fenner here, and can you wonder, with business taken from me, and friends turning their backs on me—the only exception was Captain Smith—that I did not care to carry the matter farther. I would not write this but for your request to give you an account of my interview with Captain Fenner. What I am writing you is in substance what I said to Captain Fenner.

I am, &c.,
(Signed) ED. W. STEGER.

(True copy),
E. HOLLAND, Lieut.-Colonel.

APPENDIX D.

Dr. DAVIES, New Orleans.

Bonham, Texas,

November 2nd, 1900.

DEAR SIR,

You will remember that Captain Marsham named two grievances against me. First, that I waited too long before reporting Captain Smith. Second, that I reported to a member of his staff instead of to himself. You will remember that I told you if Captain Marsham was displeased because of my complaint that it would have the effect to destroy my business with the British Government, and that I would be punished and Captain Smith promoted. As evidence that my fears were not without foundation, Captain Smith is still buying, and I am not allowed to put in a bid until I am willing to comply with the Captain's terms, as is indicated by a telegram from Captain Smith's most intimate friend. The telegram is dated New Orleans, La., November 1st, 1900, and reads as follows:—

“ ED. D. STEGER.

“ Bonham, Texas.

“ I think it to your interest to meet Captain Smith in St. Louis, Sunday, or Kansas City, Monday.”

(Signed) H. H. MCGEE.

Captain Marsham said in your presence that Captain Smith had nothing whatever to do with the awarding of contracts. Then, in the name of justice, why am I told that it is to my interest to “meet Captain Smith in St. Louis or Kansas City.”

See my reply to this telegram, and a letter of like purport from Mr. McGee enclosed herewith, and

marked “Ex. A.” Now, in conclusion, I am armed with all the evidence anyone could ask to prove my assertions, and no one seems to want it, except to damn me with. Now I'm done, and write you that you may know that I have been sincere. We have learned that the way of the reformer is not strewn with roses. I, with great reluctance, give up the trade I have laboured perseveringly to build up with your Government. Good-bye.

I am, &c.,
(Signed) ED. D. STEGER.

“ Ex. A.”

Mr. H. H. MCGEE, New Orleans, La.

Bonham, Texas,

November 6th, 1900.

MY DEAR MC.

YOUR telegram and letter, advising me to see Captain Smith, are both received. I am very greatly obliged to you, but, as I said to you the last time I saw you in New Orleans, Captain Smith sells his contracts too high for me to want one on his terms. He has got the matter in such shape that no contractor can pay him what he demands and make a dollar, and at the same time supply decent animals.

I have tried to supply contracts without the intervention of Captain Smith, but as yet have not succeeded, so guess I'm out.

Again thanking you for your interest,

I am, &c.,
(Signed) ED. D. STEGER.

(True copy.)
E. HOLLAND, Lieut.-Colonel.

APPENDIX E.

Told me Monday, October 22nd, 1900. I told Marsham October 23rd.

New Orleans.

Captain T. M. Smith demands from E. Steger 1,500 dollars, as commission on 300 mules bought by Captain Fife and Mr. Davis. This demand has been repeatedly made.

Smith stated to Steger that Sparkes Bros., Kansas City, and Crouch, St. Louis, had paid to Smith five dollars a head for each mule purchased by Fife and Davis from them.

Steger has himself repeatedly paid Smith large sums of money as commission on purchase of mules, except in one instance, the sums paid were at the rate of five dollars per mule, first 1,500, one dollar was paid per

head. Sparkes Bros., Kansas City; Crouch, St. Louis; Scovell, Fort Worth; all have to pay five dollars per head on all mules purchased by Captain Smith to him on completion of contract.

As to Hicks, there is a partnership between Smith and his man, and profits are divided so that virtually in contracts given to Hicks, Smith is buying from himself.

Steger can prove that Smith has sent home to Mrs. Smith many thousands of pounds since he has been here.

Steger has no contract this time, probably because he refuses to pay the 1,500 dollars, though Smith has sent a sub-contractor to Steger to buy them at a low rate for Hicks and himself.

APPENDIX F.

Coates House, Kansas City, Mo.,

28th February 1902.

I.G.R.

I received from you a cablegram on the 27th of February, which asked me to submit for inspection by the Finance Department copies of contracts which had been given by me in the United States since May 1901.

In reply I telegraphed you on the 28th that I had never given any contracts at all.

I sent you in November last a copy of letter addressed by me to Sir George Arthur. Bart., at Carlton Club, which gives broadly my methods of dealing with offers made to me.

I deal in the open market, and if, after full inquiry, I find a person proposing horses to be substantial and reliable, I ask him how many horses he cares to show on a given date, informing him that I shall take as

many as may suit our purposes; or none at all, as the case may be. I then give him the specifications, a copy of which I sent you, which names the prices we are prepared to pay.

The order (or permission to collect horses) is given on the attached form. The result of the inspection is entered by the Inspecting Officer on the back of this form and returned to me on completion of the duty.

The result of the inspection closes the whole transaction. Sometimes the acceptances do not attain to the number ordered, and sometimes they exceed this, by permission from me, if the officer finds himself in a good market unexpectedly.

I verify the prices by reference to Consular reports, by strict inquiry, by studying the trade returns, and by attendance at auctions. This is also done by such of my officers as have the opportunity.

The prices which obtained in the early part of 1901 were as follows (having been fixed in 1900, before my arrival):—

For cobs, 14·2 to 15 hands, 85 and 95 dollars.

For cavalry horses, 15 to 15·2 hands, 100 to 125 dollars, according to their special points.

For the past seven months, and since the cavalry class was abolished, I fixed the price at 85 and 100 dollars, and have procured far better results. In the case of northern and western horses, the prices being cheaper, the dealer has to pay all charges and deliver the stock in good condition at Lathrop, Missouri.

The American Government begins where we end in height, namely, at 15·1 hands, and pays from 125 dollars upwards; but their horses are much larger, and they take geldings only, and must be bays.

When I have attended auctions I have seen horses sold for 60 and 70 dollars, which would be quite useless to us, and from 70 to 100 dollars, which might suit, if we had an opportunity of judging of their soundness. But we cannot buy at auction, as, first of all, the dealers would not allow us, and secondly, the rapidity of the sales far exceeds anything known in England.

The only part in the transaction which can fairly be called a *contract* is that, once having given an order that I will examine—say 200 horses on a given date, I consider that I am in honour bound to inspect them punctually and fairly.

To call for tenders in this country would be madness, as every man is prepared to tender for anything; it would excite the market, promote trusts (of which we have had such a serious experience in the mule market), and generally it would have the direct opposite effect to what we desire, and which experience has taught us to be necessary, namely, by working unostentatiously in widely extended territories, to keep down the prices and to do our work effectively.

I endeavour to discourage sub-contractors; deeming it right, that if a dealer presents horses for the British Government, he should think it worth his while to spend his money on his project; but there are some men who are working on so small a scale, that if they did not have the chance of showing a few horses through a bigger man, they would not be able to secure an inspection ground, and would therefore be at an undue disadvantage, and we should lose the horses.

However, I discourage them and have turned down multitudes; this system is occasionally cropping up.

It is a very good test of whether a dealer is likely to lose money, or an indication of his apprehension, if he

occasionally becomes exceedingly angry; and this often happens.

On the whole, I think we have not paid too much at any time, in spite of the fact that small horses such as we are now trying to get (and cannot get enough of), were unsaleable in America, and even destroyed as pests, five years ago.

We are occasionally credited in the American Press with giving 165 dollars, that is, double the price we are really paying, in the main.

I report this much to show you:—

(1.) That I have never given a contract.

(2.) My reasons for my action.

And to give you an insight into the methods by which I endeavour not to pledge the British Government to *dealing* with any special person; or, to *not dealing* with others, nor, to pledge them to accept specific numbers.

In fact, my endeavour is, on the part of the Government, to keep an absolutely free hand, consistent with honourable dealing.

So far as my opinion is worth anything, I hold that our dealings are sound, and the best the circumstances, or that my knowledge of business matters, will admit of.

U. DE BURGH, Colonel,
A.I.R.

SPECIFICATIONS OF SEPTEMBER 24TH, 1901.

Order GG (for finance purposes).

February 1st, 1902.

Messrs. Nimms and Bratton, National Stock Yards.

St. Louis, Ill.

An inspector hopes to be at St. Louis on March 1st, 1902, and you may collect 300 cobs for sale to British Government.

You must, however, distinctly understand that should circumstances over which I have no control prevent purchase, the Army Remount Department will not hold itself in any way liable for delays.

Any collecting of cobs must be entirely at your own risk.

*Please inform me how many cobs you wish to show if less than the present order, which is limited to 300 head.**

To be shown to the Inspector.

(NOTE.—The inspector will return this paper after the inspection to Headquarters with his remarks on the work he has done.)

On the back of this paper is the following:—

Report of Inspection.

Began inspection _____

Purchased—Class A. _____

Class B. _____

TOTAL _____

Report on general quality shown _____

Any undue numbers of rejections _____

General remarks _____

Signed _____

Date _____

Returned to Headquarters. _____

* If the number of the purchases exceeds the number shown heretofore quote date of authority for exceeding.

Report on Remount Operations in Canada, by General Sir R. Stewart, K.C.B., and Lieut.-Colonel Holland, R.A.

1. *Whether the intention of Government to purchase a large number of horses for the war in South Africa was made widely known throughout the country by means of advertisement?*

We find that the intention of Government to purchase horses in Canada was not made widely known by means of advertisement, as Colonel Dent was of opinion that this was not the best course to take. He preferred to fix the price, after consulting Professor Smith, of Ontario, and Messrs. W. Eachran, of Montreal (veterinary surgeons employed by the Canadian Government), and other gentlemen connected with horses, then to employ reliable dealers to collect horses to show him at different purchasing centres.

The system adopted in British Columbia and the North-West is slightly different. The owners of horses are informed by circulars that Colonel Dent will be at certain places to buy horses at a certain date, and as far as possible horses are bought direct from the owners. Purchasing is only carried on west of Lake Huron during the months of June, July, and August.

2. *Whether the arrangements made by the Remount Department for the provision of animals, horses, and mules for South Africa appear to have been suitable?*

The arrangements for the provision of horses by the Remount Department appear to be quite suitable. Horses of the class required are not obtainable in nearly such large numbers as they are in the United States, and the existing staff is quite adequate.

3. *Whether the horses and mules now being passed are in all respects suitable?*

4. *Whether the class of animal procured has been suitable for the work required of it?*

We inspected horses purchased by Major the Honourable Ormsby-Gore at Toronto, and saw inspection and purchasing of horses by Colonel Dent at Montreal; also 103 horses at Montreal which had already been passed. We also visited Quebec, where we interviewed Colonel Turnbull, an officer who had at one time raised at his own expense and commanded a regiment of cavalry, and who gave us some valuable information on the horse supply of the Dominion. The operations were nearly at a standstill, owing to the fact that the Canadian Government was buying 2,500 horses for a Canadian contingent, giving 150 dollars, whereas Colonel Dent was giving 140 dollars.

The demand for riding horses in Eastern Canada is small, and they are bred almost entirely for harness and trotting. This will account for their characteristic, as a class, which is that they are long-backed and badly ribbed up.

The horses we saw had been carefully selected, but this characteristic was noticeable, apart from this we think them suitable, they have always been corn-fed, and are in good condition and have good manners. We were unable to see any horses purchased in the North-West as operations do not commence there till June, but consider that they are the same class of horse we saw in the North-West of the United States. We do not think that the Eastern Canadian cob is so well worth 140 and 150 dollars as the Western is worth 80 dollars.

5. *The average prices paid, and whether those prices appear to have been such as should reasonably be given?*

In Eastern Canada the prices paid, 1900, were—

Artillery	-	-	-	-	-	150 dollars.
Cavalry	-	-	-	-	-	140 "
Cobs	-	-	-	-	-	120 "

In the commencement of 1901—

Artillery	-	-	-	-	-	145 dollars.
Cavalry	-	-	-	-	-	140 "
Cobs	-	-	-	-	-	125 "

Subsequently only one class was required, cobs 14.1 to 15.1, and the price for these was fixed at 140 dollars, and that is the price now given. As the Canadian Government is giving 150 dollars for the same animal, we conclude this must be

considered their market value, but are of opinion that it is a very high price for the class of horse. In Western Canada 80 dollars is given for cobs, and to this must be added the cost of transportation to the port of embarkation. This appears to be rather higher than the cost of the same animal in the United States, which is 85 dollars delivered at Kansas City or Lathrop.

6. *Whether the inspections of animals both by the Remount and Veterinary officers have been of a proper description, and how many animals have been inspected per day on the average?*

We saw Colonel Dent and Veterinary-Major Rowe inspecting and purchasing horses, and consider that it was well and carefully done. Owing to the Canadian Government buying horses for the Canadian contingent, we were unable to see Major the Honourable Ormsby-Gore and Veterinary Surgeon Bowhill inspecting horses, but from Colonel Dent's report, and from personal inspection of the horses passed by them, we consider that their inspection has been of a proper description. Colonel Dent does not allow more than 100 horses to be passed in one day.

7. *The arrangements made for the care of animals between delivery from the seller and embarkation. And whether these arrangements appear to have been satisfactory or otherwise?*

8. *The arrangements for embarkation, and whether they appear to have been good and suitable?*

If there is satisfactory stabling and accommodation, the horses are left with the men from whom they are purchased, until required for shipping; these men receiving 40 cents per horse per diem. Otherwise they are kept in the stockyards at Montreal at the same rate, under charge of Veterinary-Major Rowe, A.V.D. Only one case of glanders has occurred, and it is not considered necessary to operate with mallein on all the horses. These arrangements appear to have been satisfactory. Owing to the Canadian Government buying horses, so few were obtained by Colonel Dent that he would not have sufficient horses to make a shipload before June 15th. We were, therefore, unable to see any horses embarked. Hitherto, in the summer, when the river is open, shipping has been done at Montreal, and in the winter at St. John, N.B. Colonel Dent reports that the arrangements at St. John are far superior to those at Montreal, and recommends that horses should be shipped at St. John all the year round, the advantages quite compensating for the additional 481 miles railway journey.

GENERAL REMARKS.

From the latest census returns there are within the Dominion a total of 1,478,739 horses, of which 398,358 working horses are in Ontario. Quebec comes next with 269,212. And in the west—British Columbia and Alberta combined—are next, with 203,416.

Colonel Dent's operations have mostly been carried on in Ontario, and for three summer months of 1901 horses were procured in the west, but Quebec does not seem to have been worked to any appreciable extent. The total number of horses purchased by Colonel Dent during 1901 and to April 1902 is 10,317, and the total shipped is 9,874, which is about 800, or one shipload, per mensem.

From the above figures it is apparent that the Dominion is not at present able to furnish a very large number of horses if required, and from the fact that in the middle and eastern provinces horses are bred and trained mostly for harness, that number is not likely to increase unless a stimulus be given to the trade by a steady and permanent demand for Army horses, and unless stallions suitably selected are introduced into the Provinces.

It is to be regretted that two agencies are at work purchasing horses for the Army in South Africa, and that the Canadian Government are giving a higher price than that offered by our remount officers, which must for the present make the task of finding remounts difficult. The Western Provinces, Alberta and British Columbia have only been worked for a short time during the last summer months, and we think it would be desirable to post an officer there throughout the open season, giving full information to ranch owners and breeders in that country that at a certain centre, say Calgary, horses suitable for Army purposes would be purchased each year.

Colonel Dent has carried on his operations with success, and has an intimate knowledge of the Dominion, which is of special advantage.

Annexed is a statement framed by the Agricultural Department, showing latest census of horses in Canada for 1901; also a statement of imports and exports of horses for the last five years, from which it appears that, whilst the British Government have taken 10,000 horses during 1900 and to April 1901, there were 11,752 horses imported from the United States in 1900, and 8,850 in 1901 into the Dominion of Canada.

HORSES IN CANADA, 1901.

	Horses, 3 years and over.	Horses under 3 years.	Total Horses.
British Columbia	137,566	25,281	162,847
Alberta	65,850	23,968	89,818
Assiniboia	58,363	18,439	76,802
Saskatchewan	10,148	2,337	12,485
Manitoba	137,566	25,281	162,847
Quebec	269,212	48,303	317,515
New Brunswick	53,662	7,720	61,382
Nova Scotia	58,272	7,253	65,525
Prince Edward Island	26,564	7,016	33,580
Totals	709,122	147,730	856,852

The Returns for the province of Ontario have not been compiled, but the Report of the Bureau of Industries gives 398,358 working horses, 90,148 breeding mares, and 133,379 unbroken horses. Total for Ontario, 621,885; for Canada, 1,478,737.

STATEMENT SHOWING the QUANTITY and VALUE of HORSES IMPORTED INTO, and EXPORTED FROM, THE DOMINION OF CANADA, DURING THE FISCAL YEARS 1897, 1898, 1899, 1900, and 1901, respectively.

IMPORTS.

Article.	1897.		1898.		1899.		1900.		1901.	
	No.	Value.	No.	Value.	No.	Value.	No.	Value.	No.	Value.
<i>Horses—Dutiable :</i>		\$		\$		\$		\$		\$
Great Britain	—	—	1	20	—	—	3	239	12	1,080
Newfoundland	—	—	—	—	—	—	—	—	1	7
St. Pierre	1	10	1	6	—	—	—	—	—	—
United States	4,280	113,831	13,333	367,671	14,970	454,929	11,752	362,006	8,850	274,905
<i>Horses for Improvement of Stock :</i>										
Great Britain	17	6,797	26	6,725	49	29,397	82	46,573	104	64,898
Newfoundland	—	—	1	100	—	—	—	—	—	—
United States	280	106,788	372	127,469	341	100,565	379	116,657	246	89,839
<i>Horses for Exhibition purposes :</i>										
Great Britain	1	235	—	—	—	—	—	—	—	—
United States	844	176,804	908	204,370	637	116,099	856	221,650	976	241,477

EXPORTS—DOMESTIC.

<i>Horses—One year old or less :</i>										
Great Britain	110	9,190	—	—	36	5,400	—	—	4	590
Newfoundland	—	—	—	—	—	—	—	—	25	2,500
United States	171	11,842	65	11,205	3,412	60,429	32	4,350	11	927
<i>Horses—Over one year old :</i>										
Great Britain	13,610	1,348,282	11,479	1,160,367	5,774	585,800	5,044	517,641	2,139	229,705
British Africa	—	—	—	—	—	—	3,287	412,250	3,063	328,125
British Guiana	117	8,000	16	1,200	30	2,100	10	900	—	—
British West Indies	163	13,720	187	12,438	90	7,627	33	2,720	26	2,475
Newfoundland	177	11,339	146	10,115	169	13,828	149	10,495	249	18,134
Belgium	33	4,950	—	—	—	—	—	—	—	—
China	—	—	18	1,800	—	—	—	—	—	—
Denmark	19	1,800	—	—	—	—	—	—	—	—
France	17	1,950	37	3,700	—	—	—	—	—	—
French West Indies	21	1,035	—	—	—	—	—	—	—	—
Germany	17	1,700	—	—	—	—	—	—	—	—
Hawaii	2	100	—	—	—	—	—	—	—	—
Japan	—	—	2	200	—	—	—	—	—	—
St. Pierre	11	950	7	500	1	75	3	350	16	1,450
United States	3,525	296,064	2,392	295,919	2,872	228,164	1,495	218,275	2,077	326,367

To
The Quartermaster-General,
War Office.

R. C. STEWART, GENERAL.
E. HOLLAND, LIEUT.-COLONEL, R.F.A.

RECORD OF EVIDENCE

TAKEN BEFORE THE

COMMISSION OF INQUIRY ON REMOUNT OPERATIONS

IN

CANADA,

HELD BY

GENERAL SIR R. STEWART, K.C.B., and LIEUT.-COLONEL E. HOLLAND, R.A.

Montreal, 29th April 1902.

1st Witness:—Colonel H. F. DENT.

Col. H. F.
Dent.
29 April 1902.

1. When did you first come here?—The end of March, 1900.

2. Were you the first officer that came here for the Remount Depot?—Yes.

3. What arrangements did you make when you first came out here for the supply of horses?—On my arrival, I went to Toronto. I started by making inquiries as to the best means of collecting and buying horses, and also made inquiries as to prices that I should probably have to give. I saw Professor Smith, the principal Veterinary Surgeon in Ontario, and other gentlemen connected with horses. I found out the names of reliable dealers, or people who collected horses to show me in different parts of Canada, east of Lake Huron. Then I fixed my prices for each class of horse, and as soon as the people collecting the horses had any to show me, I started going around from place to place, purchasing the horses I considered suitable.

4. Did you make any use of advertising in the newspapers?—I did not personally.

5. From whom did you find out who were the most reliable dealers?—From different people in going about; for instance, in that part of Canada I think I relied a great deal on Professor Smith, and for this side of Canada on Messrs. McEachran, the Veterinary Surgeons at Montreal.

6. And upon the opinion of these gentlemen you settled what would be a fair price to give for Government horses?—Yes.

7. Is there any open market in the Dominion which would give you an idea of what the dealers themselves pay to the producers for horses?—The only auction market I know of is at Toronto, where they hold weekly auctions.

8. Did you attend any of these auctions?—Yes, I have been to Grand's auctions several times.

9. And in those auctions did you see horses being sold of the class that was required for the Government?—None.

10. Were they higher class?—No, the majority were such as I should not buy.

11. Therefore, these auctions were no criterion as to what the price of the class of the Government horses would be?—No criterion.

12. What was the price you fixed then?—To the best of my belief (though it is a long time ago) it was, I think, 120 dollars for cobs, 140 dollars for Cavalry, and 150 dollars for Artillery.

13. Then, practically, you relied entirely upon the opinion of the prices you heard from the people in the colonies?—I fixed the prices according to my opinion as to what was a fair price for a war horse. They seemed perfectly satisfied, and I never had any trouble.

In 1900 I purchased 3,785 horses; shipped 3,738; 15 died; 32 were sold; 500 cobs, 905 Artillery, 2,380 Cavalry purchased.

14. When you came out again in 1901, did you continue the same arrangement of prices?—I think I raised the price of cobs 5·00 dollars last year, 145 dollars for Artillery, 140 dollars for Cavalry, and 125 dollars for cobs, that was really reducing the price of Artillery, and raising the price on cobs 5·00 dollars over previous year.

15. Then subsequently you got some orders about not purchasing any more Artillery?—Yes, I stopped buying Artillery horses altogether, and the W.O. kept reducing the height of Cavalry until they finally became one class, not exceeding 15·1 in height, and which height I am now restricted to.

16. Then for these cobs you made one price only?—Yes when the class was reduced to only one class, top height 15·1 I consulted several dealers as to what they could supply the horses at, and from what they said to me, I fixed the price to be 140 dollars. They are grumbling greatly at this price now, say it is impossible to get the horses at this figure, but I am not inclined to increase it at present.

17. Can you tell us where these horses are bred?—All on the western side of eastern Canada and Quebec Provinces.

18. Are they bred on ranches or by small farmers?—There are no ranches this side of Regina.

19. Have you any idea what profits dealers are making on these horses, or what prices they pay for them to the breeders?—I have reasons to believe that at the present time the dealers who supply me are not paying less than 125 dollars for cobs, and included in the 140 dollars that they receive, they have to provide all the grooms and men necessary for inspection purposes, to pay the branders and riders their wages for the day or days, to new shoe the horses in front and rasp their feet behind, also to pay the railway freight to Montreal from wherever the horses are bought.

20. What arrangements do you make for horses after purchase, between purchase and shipment of horses?—It entirely depends upon the accommodation the men have from whom I purchase. If there is satisfactory stabling, and I consider the men likely to take care of horses properly, I leave the horses with them until I require them brought to ship, at a fixed charge of 40 cents. per day per horse. In the event of my doubting the men not looking after them properly, the horses are sent down to Montreal at once, where they come into the charge of Veterinary-Major Rowe.

21. Now, as regards the shipment of them, you have shipping arrangements at St. John?—Up to the close

Col. H. F.
Dent.

29 April 1902.

of the river we had always shipped from Montreal; on the close of the river we started shipping from St. John, N.B.

22. Are the arrangements at St. John for shipping the horses and for keeping them until the ship is ready quite to your satisfaction?—Very much so; superior to here. The advantages are that horses are stabled close to the wharf, from which they are embarked; the stabling, newly built by the C.P.R., consists of various small wooden sheds; they are well ventilated and very comfortable. The embarkation of the horses takes place under a very large open shed, so that whatever the weather may be, the horses can be embarked without getting wet in case of a wet day, the distance from the farther shed to the shipping shed not being more than 300 or 400 yards. The advantages also in having this short distance to bring the horses from the stables to the ship are very superior to the shipping arrangements at Montreal, where the nearest stock yard to the shipping point, viz., the G.T.R., is at least three-quarters of a mile, and in the case of the C.P.R. about 3 miles; of course, this makes the embarkation of the horses much slower, the embarkation has to take place in the open, no matter what the weather is, and I consider that the fact of the ship going straight out to sea instead of the long journey down the river, is of such advantage to the horses that it is a set-off against the 481 miles extra railway journey the horses have to go.

23. Who superintends embarkation arrangements?—I have always superintended them myself, if I was here when the ship went. At St. John I superintended the two first shipments, taking Captain Chaplin with me for one; the last two shipments I sent him down alone, and consider that now he is perfectly competent to ship horses without my being there, or any other supervision.

24. Under what arrangement and at whose expense are the horses brought from the stables to the ship?—At the expense of the Imperial Government. The contractors, Messrs. A. C. Smith, St. John, who keep the horses there, are contractors to the C.P.R., and very satisfactory people to deal with.

25. Can you give us any idea of the charges?—It is 25 cents a horse to lead the horses from the stables to the ship.

26. Are the fittings of the ships to your satisfaction?—Yes; I do not let them go if they are not. Some of the ships come fitted; others are fitted here. I simply inspect, to see if they are according to the Admiralty specifications, and if there is anything that is not according to these specifications, I make the ship's agents put it right.

27. Do you give any special instructions to your embarkation officers to assure themselves that the ship is not overcrowded, and that the captains do not put up in the ships more horses than you consider the ship can fairly carry?—The number is not left to me; it is decided in the ship's contract, and I am not allowed to put any extra horses on. Of course, in addition to that, I am answerable that 5 per cent. spare stalls are on board.

28. And are the arrangements for sick horses and slings in case of accident always put on to your satisfaction?—Yes; as far as I have seen. I have always made the conducting officer answerable as regards those fittings; he has to see that they are there, and gives me a certificate to this effect before the ship leaves.

29. Are there any special stalls for slings in case of accident?—Yes.

30. Are your conducting officers generally satisfactory?—It is difficult for me to say so, because I have no experience of them beyond a day or two; but I think in some cases the officers appear very young and inexperienced, and I wrote a letter stating so to the War Office.

31. Can you give us a copy of your instructions to the conducting officers?—I have no instructions down in writing; my instructions have always been verbally, to them.

32. What arrangements do you make with the veterinary surgeons who come out to take charge of the horses?—If I have to provide the drugs, which I have to do in most cases, I give them a copy of the list of drugs which is being sent out, and which is a copy of the Government list of drugs virtually,

which has been overhauled and reduced by my veterinary surgeon according to instructions from the War Office, and if they want anything extra which is not down on that list, I give them permission to get it, and I pay for it myself, and I make them give me a certificate before they sail, saying they have everything required, and if there is anything that they want, which I have not supplied, I allow them to purchase it and hand me the bill.

33. Have you always been satisfied with the class of men who are put on board the ship to take care of the horses?—My experience of the men is nil, because, as a rule, the men do not embark (they cannot get them on the ship, the agents say) until about an hour before the ship sails, so I have no experience of them. But the conducting officers, as a rule, have written to me private letters from South Africa; the reports that they have made on these horse attendants have been variable, in some cases good, and in some cases bad.

34. What officers have you in the Commission subordinate to you?—Major Gore, 11th Hussars, Captain Chaplin, 10th Hussars, and Major Fell, of Yorkshire Artillery (the latter arrived yesterday), and Vet.-Major Rowe and Mr. Thos. Bowhill, Vet.-Surgeon.

35. Would you also tell us names of the officers, as far as you can remember, who have assisted you since you first came out?—In 1900, Vet.-Major Phillips, of the Regular Army, came out with me. He was not long out, being recalled by the War Office. He was succeeded by a civilian veterinary surgeon by the name of Dyer. In 1901, when I went to the North-West Provinces, Captain Maudslay was sent by the War Office as Assistant Purchasing Officer.

36. As regards the officers who were first here associated with you, and have since left you, did all of them give you satisfaction?—No, not entirely.

37. Will you state how?—Mr. Dyer, veterinary surgeon, was a very difficult man to get on with, but I did not wish to have any rows with him; therefore I pulled on with him until the Commission closed. I certainly would not have worked with him again. I found Captain Maudslay very unsatisfactory, being most dilatory and unbusiness-like in his accounts, which I had great difficulty in getting monthly from him, and, on my return from the North-West, he behaved so insubordinately to me that I applied for his removal from the Commission, and he was sent to Texas, to be under Colonel de Burgh.

38. As regards these officers, with the exception of their not having been quite satisfactory to you, their dealings,—were they quite to your satisfaction and straightforward?—As far as I know they were perfectly straightforward. I know of nothing against these gentlemen.

39. Have you ever heard anything directly or indirectly against them?—No. By the way, I forgot to mention that Vet.-Surgeon James Fraser, who came out with me March, 1901, behaved, I think, in a wrong way to me, in having applied to be relieved of his employment with me out here without making any reference to me or his application going through me. On the occasion of my coming to the West last year, the railway company gave passes to my staff. The passes were sent to me, and on my handing Vet.-Surgeon Fraser his pass, he remarked, "I suppose I can charge my railway fare to the Government?" I said, "I don't advise you to do so, as I have already written to the War Office, stating passes have been given us."

40. When you went to the West, did you find horses of much the same class as you are buying in Ontario and districts in the neighbourhood?—I consider them a better class—purely ranch-bred horses.

41. Did you give the same prices there for them as you are giving for those farm-bred horses?—No, I gave lower prices, 100 dollars for Cavalry and Artillery, and 80 dollars for cobs, put on rail at the place of purchase.

42. What were the places where you went to purchase?—Calgary, Cochrane, Pincher Creek, McLeod, Lethbridge, High River, Calgary, Medicine Hat, Qu'Appelle, and in British Columbia, Kamloops, and Vernon.

43. Did you purchase direct from the breeders or through middlemen?—Direct from the men who owned the horses. My system was that the Horse Breeders' Association of the North-West Territories detailed a gentleman at each place to assist me in showing the horses and getting the owner's names. On purchasing

a horse, my clerk took the description of it, and also the owner's christian and surname. At the end of the day's purchasing, my clerk made out a list of all the people I had bought a horse or horses from, one copy of which I gave to the gentleman detailed by the Horse Breeders' Association, with a bulk cheque for the total amount of horses purchased that day. This gentleman paid the sellers individually, and in due course gave me the schedule of names back, receipted by these men.

44. What is the Horse Breeders' Association headquarters?—Mr. Peterson, Deputy Minister of Agriculture at Regina, is, as far as I know, the leading spirit of the North-West Horse Breeders' Association.

45. I would like to know generally what your experience of two years here is; what capabilities there are in the Dominion for supplying horses for war?—I don't think at the present time that horses could have been bought in any greater numbers or faster than I have bought them; but I think that if the War Office decide to buy a certain number of horses yearly from Canada, that will create such an impetus to horse breeding, and, in fact, there is now such an impetus by the number of horses that have been bought in the country, that in a few year's time I anticipate that there will be a large increase of horses bred throughout Canada, and horses more suitable to the requirements of an army. In my opinion, the greater factor towards getting more suitable horses would be a large increase of thoroughbred stallions throughout the Dominion.

46. Have you had any trouble with glanders or other infectious diseases since you have been purchasing horses?—Yes; we had a case of glanders break out among the western horses bought at Maple Creek, after the horses had arrived in Montreal. This outbreak was entirely in the hands of the Messrs. McEachran, the

Dominion Inspectors, subject to reference to my veterinary surgeons. We had two horses killed, and the remainder tested two or three times with Mallein before they were reported fit for embarkation. All these horses, with the exception of the two destroyed, eventually went to Africa.

47. Are you quite satisfied with the officers who are now with you as purchasing officers and veterinary surgeons?—I might say that, in the case of Major Gore, he is one of the most conscientious, hard-working, pleasant officers that one could possibly have to do with, and I know positively as a fact that he does everything he possibly can to please me and carry out his duties; but for the same reasons that he has not been allowed to command his regiment, I find, in some cases, he is a little wanting.

48. But these failings do not militate against his judgment of horses?—No; he is a good judge of horses.

49. As regards the other officers?—They are quite satisfactory to me.

50. Do you consider Captain Chaplin a good judge?—Yes; very keen, and a fair judge for so young a man. Major Rowe I have a very high opinion of, being perfectly satisfactory in every way.

51. Would you give me the names of the principal dealers whom you have employed in the purchase of horses here?—Montreal, Telfer, Climie & Co.; Ottawa, F. S. Skead; Cookshire, J. M. Stevenson; Napanee, J. Kenny and G. Williams (partners); Smith's Falls, Dr. Manhard, V.S.; Toronto, Walter Harland Smith, W. K. Harkness; London, Ontario, James McCartney, Dr. Tamlyn, V.S.; Chatham, Mr. Bedford; Paris, J. M. Patterson; Woodstock, W. B. Fuller; Goderich, R. McLean; Listowell, Hay and Kidd.

2nd Witness:—Major W. E. FELL, Yorkshire Artillery.

52. You have been several times conducting officer?—Twice; once from Montreal, and once from New Orleans.

53. What with—horses or mules?—Horses, on both occasions.

54. What were the names of the ships?—The "Cecilian" from Montreal, and the "Atlantian" from New Orleans.

55. Have you had any experience of the Canadian horses; have you been purchasing officer at all?—No; that was the only experience I have had. I have been conducting up until now.

56. Have the horses that you took out with you to South Africa suffered much on board ship?—They did from here with pneumonia; we had a great many cases of that, but lost comparatively few—26, I think, was the number. Pneumonia made its appearance about the time of crossing the line.

57. Is there anything particular you would wish to say before the inquiry?—With regard to the relative merits of the horses brought from different countries, it was a question in which I was very much interested, and I had several opportunities of making inquiries from officers in South Africa, and from officers on board the returning transports. On the first voyage, officers appeared to think that Australian horses were the best; subsequently, on the second trip, the opinion changed, and Canadian horses appeared to be preferred, and the South American horse was considered the worst. As regards the United States horses, they were generally considered to be of a mediocre standard, and there were certainly more inferior horses amongst those that I took than there were amongst the Canadian horses on the ship I conducted.

58. Were the officers who gave you these opinions expressing them from personal experience in the war, or was it simply their opinion on the horses landing?—It was their personal experience of the horses in the war.

3rd May 1902.

3rd Witness:—Mr. CLIMIE, Horse Dealer, Montreal

59. How long have you supplied horses to the British Government?—I have been dealing with Colonel Dent for purchase of Remounts since he first came out to this country. When he came first, I had the contract for horses in Montreal; but the second time he came out, Colonel Dent endeavoured to deal more in the open market, and to induce any other dealers who wished to show horses, to do so. However, it was difficult to know quite what was wanted, and I sent out buyers also, and was able to bring more suitable horses than others. My arrangements are to send buyers into the country,

and to give 130 dollars for any horse which is brought to me, and which passes the examination. I take all expenses of stabling, riding, &c., and so gain a profit on each horse of about 10 dollars. There will be plenty of horses coming into the market after the seeding; but the competition caused by the purchase of horses for the Canadian Contingent, where they pay 150 dollars, has seriously interfered with the supply of horses for Remounts. It is more difficult to get horses since the height has been reduced. The 15.2 horse is not a higher priced horse than the smaller one.

4th Witness:—Mr. MCCREACHEN, of Messrs. McCreachen Bros., Veterinary Surgeons and Government Inspectors, Montreal.

60. Have you much glanders in Canada?—We have a large practice here, and examine all horses for health before exportation. It is not once in 10 years that we have a case of glanders, but influenza and colds are common. There are plenty of horses of the type for Remounts in the country, but it is more difficult to get them now that the height has been reduced. Before

the demand for horses for the South African war, this class of horse sold for from 90 dollars to 120 dollars. The reason why this horse fetches so much is that the farmers have to stable them and feed them all winter. In the west, good horses of this class can be got much cheaper.

Col. H. F.
Dent.

29 April 1902.

Major W. E.
Fell.

Mr. Climie.

3 May 1902.

Mr.
McCreachen.

Report on Remount Operations in Austro-Hungary, by Lieut.-General Sir M. G. Gerard, K.C.B., K.C.S.I.

From LIEUT.-GEN. SIR M. G. GERARD to the Q.M.G., War Office.

Hotel de l'Europe, Fiume,

17th March 1902.

SIR,

I HAVE the honour to report, for the information of the Rt. Hon. the Secretary of State for War, that, in accordance with your instructions dated 27th February 1902, I left London, accompanied by Lt.-Col. Pratt, R.A., on the 2nd inst., reaching Vienna on the evening of the 3rd. At the suggestion of Sir F. Plunkett, I deferred our departure thence till the 6th, obtaining meanwhile some useful information. Arriving at Fiume early on the 7th, we met Colonel Willan, Senior Remount Officer, as well as Vet.-Col. Queripel, and saw the bulk of 500 cobs shipped that day on the "Monmouth," and the remaining 300 of that shipment on the 8th. On Sunday, 9th, about 300 cobs arrived by rail, and I witnessed their examination by the Hungarian State vet.-surgeon, and we also inspected the fittings of the "Iona" and "Pinemore." As the loading of the "Iona" could not be proceeded with, I left on the night of the 10th for Buda Pesth to attend the horse fair there, at which some of the leading breeders as well as the Asst.-Minister for Agriculture were present.

I returned here on the night of the 12th, and on the 13th saw the second portion put on board, and inspected the whole of the "Iona's" cargo of 750 cobs. There were no shipments on the 14th, but on the 15th 420 cobs were put on board the "Pinemore," and the remaining 430 of that cargo were, despite almost tropical rain, embarked by noon of Sunday, 16th.

For convenience of reference, I treat as separate questions each para. of your printed instructions, commencing with line 10.

I.—(1.) The arrangements of the Remount Officers consist simply of a series of contracts with Messrs. Hauser and Schlessinger, of Vienna, who have established a complete monopoly. They deliver the animals "f.o.b.," paying all expenses, and taking all risks till shipped.

(2.) Just now all purchases are made in Russia (III. (1)), the cobs entering Austria *via* Brody, and being directed as suits requirements to the depôts of Stryj (Galicia) and of Agram (Croatia). The purchasing officers—at this moment Major Cole and V.S. Crapp at the former, and Majors Follett, Onslow, and Capt. Campbell, with V.S. Hubbard and Tagg, at the latter—practically buy the cobs there, and they are then branded, though the contractor's risk still continues (I. (1)).

(3.) Horses are railed to Fiume as required for shipment, getting 24 hours rest as a rule before embarkation. The horse contractors are liable for demurrage caused by the non-arrival of the animals at specified dates, and the shipowners for compensation for forage, &c., for the detention of the horses. Each animal is passed out of the stable at Fiume by our V.S. prior to embarkation, any sick or injured since "purchase" being relegated to a "reserve," and if they recover they are included in subsequent batches. About 10 spare are allowed for each cargo to meet such deficiencies.

(4.) This system has practically existed throughout, two small batches, aggregating 59 only, having been passed at Fiume. All contracts for Hungarian horses and cobs were made with Mr. Hauser—except one small one of 300 with a Mr. Foglar, which he failed to fulfil. Altogether 6,999 Hungarian horses and 6,780 cobs were thus supplied to the Remount Department between May 1900 and June 1901 (list C), besides some 3,800 for the Imperial Yeomanry and 1,000 for the South African Chartered Co. from February to April 1900 and all through the same agency, which originated with the Yeomanry purchases (list D).

(5.) In August 1901 Col. Willan was ordered to inspect some Russian cobs collected by the contractors at Stryj—and on his report the Inspector-General for Remounts authorised the contracts for them. The specifications of the Remount Department are 14·1 to 15·0 hands—5 to 9 years old—strong,

short backed, good loins, quiet to ride, and serviceably sound. These cobs when bought, besides the Broad Arrow on the near quarter, have an R. branded on the off shoulder, M.I. on the near, and the number on off fore hoof.

(6.) Col. Willan informs me that there is a bond and security for 10,000*l.* with the Remount Department in England for the fulfilment of contracts, which are entered into only for a month or six weeks at a time.

(7.) In order to excite competition, in September 1901 a Mr. Schlessinger, of Vienna, received a contract for three shiploads of Russian cobs, and on October 1st, 1901, Mr. Hauser also got an order for "Russians," but on December 1st these two—both Jews—went into partnership.

(8.) The present arrangements are—

March 15th, 850 cobs (now shipped) ;

„ 22nd, 800 „

„ 23rd, 800 „

„ 24th, 750 „

„ 28th, 800 „

About April 2nd, 800 „

And about 6th, 800 „

All the foregoing at 26*l.* 10*s.* each. For the remainder of April, about 5,000 more at 26*l.*

(9.) The original purchasing stations at Syabadka (Maria Theresiapol) and Stuhlmeissenberg have now been given up—at the contractors' request—and in the past six months 24,667 Russian cobs have been shipped. This change of purchasing ground was suggested by the dealers, and is probably not unconnected with the scarcity in Southern Russia, where in the famine of 1891–92 peasants sold their animals for 2*l.* or 3*l.* a-piece.

II.—(1.) As to the second and third questions—lists 12 and 14—it is impossible without further inquiries to answer the former with any degree of accuracy, and even for the cobs now bought it is difficult to express a decided opinion until one has seen them ridden, which cannot be done here. They certainly fulfil the specifications of the R.D., and the 2,400 or so which I have seen are extremely compact, round barrellled, broad quartered animals, particularly good below the knee, and averaged 7 years old. Some had been recently gelt, and I saw no entires. I thought the fetlocks in some cases a little light, some few were cowhocked, and many have straight, though short pasterns. Vet.-Col. Queripel considers their feet particularly good, though these run small if anything. They, as is typical, have ugly heads, and most are extremely shaggy, with their long winter coats often caked with mud, as in some cases they pass the winter with no better shelter than the lee side of the haystack which supplies their forage. They seem absolutely free from vice, and almost without exception are quiet, good tempered, and not timid.

(2.) One has only the contractors' statements to go on, but according to them many are a month on the road, including 15 or 16 in the wagons, still all I have seen are in fair condition—comparatively few having even swollen legs—and they feed freely as soon as berthed on board ship. I had 20 taken at random from the stables and measured; they averaged 7 years old, 14·2 $\frac{3}{4}$ inches in height, 68 $\frac{1}{2}$ inches girth, and 7 $\frac{3}{4}$ inches below the knee, though one should perhaps deduct a couple of inches from the body and half an inch from the leg measurements to allow for their present coats. The best, one of 14·3 inches, taped 72 inches in girth and 8 inches below the knee, and the worst, one of 14·2 inches, 65 inches and 7 $\frac{1}{2}$ inches.

(3.) They should undoubtedly do good, useful work and long marches on poor fare, but my one doubt is whether they are capable of shoving along even a few miles at a fast pace should this be required of them. I have not, however, yet been able to see them ridden. Though so quiet that anyone can mount them, they come in many instances from districts (III. (1)), where peasants practically never ride, and keep horses solely for carts, sleigh, and plough work. The most of those I looked at showed marks of the shafts, and not in a single case were there any saddle marks.

L. 15. III.—(1.) As to the regions whence they are now being procured, here again we have as yet nothing but the contractors' statements to go by.

According to them, they are purchasing from near Odessa to Warsaw on the west, and from Wiatka to Orenburgh on the east, a space roughly of 1,000 by 700 miles. I append a map, A.,* with such centres of purchases marked as I can identify. It will be seen that most of these are to the south of Moscow, where there has been at least a scarcity (I. (9)).

(2.) Similarly, for former contracts in Hungary, the contractors simply produced animals at purchasing depôts from where they chose. I was told by a friend, who was shooting in the Carpathians last October, that the peasants there averred that Hungarian horses were coming through Transylvania into Galicia, whence they were railed back into Hungary by the "Boer trains," as they were termed.

(3.) By the contractors' account they have some 50 buyers, with commission agents under them, with about 50,000*l.* in ready cash in their hands, scattered through the districts, and they say they have, moreover, to pay stationmasters to see that the attendants water and feed the animals instead of selling the forage as they go along.

IV.—(1.) The average prices paid by the Remount Department have been 35*l.* and 30*l.* for 6,992 Artillery and Cavalry horses and 20*l.* for 67,800 cobs bought in Hungary, the former in 1900 and the latter in the first half of 1901; and so far 26*l.* 10*s.* a head for 24,567 Russian cobs since last September.

(2.) Whether these prices are reasonable or not can only be ascertained by visiting some of the districts themselves, and finding out also the contingent expenses of transport, forage, attendance, &c. As to the first of these, railway rates seem to vary from between 0·10 *krs.* per horse per kilometre to 0·28 *krs.*, but I will report later on this subject. Many of the stories of inferior animals purchased probably refer to those of the Imperial Yeomanry and Chartered Co., the latter having been, by all accounts, the worst managed purchase of all.

(3.) As yet I can only say that whilst Col. Willan and Vet.-Col. Queripel consider that with the contingent expenses the present rates are reasonable, I have been positively assured, particularly at the Vienna and Pesth Jockey Clubs, that we have been terribly "done," particularly at first, and that, though in their own interests the contractors have been serving us far better during the past twelve months, that they are still making exaggerated profits. One must, however, bear in mind the universal suspicion and dislike of the Jews prevalent in this country, as well as in Russia; whilst, on the other hand, our remount officers, from want of knowledge of the country and language, are apt to drift into relying for everything on the contractors' people, and into associating with them more than is socially customary in this Empire.

L. 21. V. As to the arrangements for the inspection of animals by our officers, I can only report on this after visiting the depôts at Agram and Stryj.

(2.) All animals on crossing the Austrian frontier have to change wagons, and are inspected by a Government veterinary-surgeon for infectious diseases, any suspects being consigned to a Government hospital. As there is also an import duty of about 18*s.* per head, recoverable if re-exported within a month, they remain throughout under surveillance of the Customs Department, which at Fiume is very strictly enforced. There are similar veterinary examinations at Stryj, Agram, and Fiume, or wherever they may be detrained, and from what I saw here this seems most intelligently and efficiently carried out, *e.g.*, the least suspicion of skin disease is subjected to microscopic examination. There is a charge of 5*d.* per horse for each such examination, the amount being credited to Government, and is not a fee to the V.S., who here is a highly educated young man, who speaks four languages, and seems most exact in his work.

3. Col. Willan informs me that about 100 horses per diem is the average number passed, but I will report on this later from my own observation.

* Not printed.

L. 25. VI.—(1.) The Contractors have excellent stables here, with electric light installed, one block for about 200 having been built, and the rest adapted. They are said to accommodate 1,400 horses, but I should only allow two-thirds of that number; but there are seldom more than 500 here at a time. One man to every eight is temporarily engaged as batches arrive.

(2.) Matters are much simplified by the stray population having become accustomed within the last two years to look for odd jobs in connection with our remount horses, and as competition is keen, attendance is cheap and plentiful. Two Russians I spoke to in the stables averred they got little but their food. Horses marching to the ships or from the railway are linked by their headstalls in bunches of five, the man leading them getting 10*d.*, and for convenience of counting they are despatched in lots of 50.

VII. The general arrangements for embarkation are good. One broad quay seems entirely given up for the purpose. Horses are passed out of the stables by our V.S. immediately prior to embarkation, at the rate of 2 or 3 per minute, and march down in 50's at a few minutes interval. Their hoof numbers are checked as they go on board; three gangways are generally available, and up to 400 have been shipped in less than two hours; though as a rule they are not all embarked till the forenoon of the second day. The semi-Italian population of the place are eager to go out as "cattle men," for which they get 3*l.* a month and their food, there and back, as they are not allowed to land at the Cape.

(2.) Freight being, I believe, about 15*l.* per horse with a 2*l.* 10*s.* bonus on those landed alive. These cobs at the Cape cost about 43*l.* a-piece.

L. 30. VIII.—(1.) As stated (I. (2)), the real rejections take place at the up-country depôts, and I am told that so far no list of these has been kept, but this will be done in future. Colonel Willan tells me that 1,136 cobs rejected by our officers, chiefly for height, were sent by the contractors to Hamburg.

Of horses "put back" in the three shipments I have seen, there were—

" Monmouth "	-	-	12	out of 800 or 1.5 per cent.
" Iona "	-	-	9	" 750 „ 1.2 „
" Pinemore "	-	-	8	" 850 „ 0.9 „

The only others of which I can get any record, are—

22nd February	-	" Maplemore,"	7	out of 800 or 0.8 per cent.
3rd March	-	" Hypatia,"	5	" 950 „ 0.5 „

IX.—(1.) As will be gathered from the foregoing, my opinion is that the present organisation is working smoothly and well; I think the Remount Officers are zealous and efficient, though somewhat handicapped by want of acquaintance with the country and language, and that Government is obtaining a very serviceable animal for its purpose—with the one doubt expressed in II. (3.)—but I am not yet in a position to say whether they are not paying a higher price than is just and reasonable.

(2.) The capital fault of the present system is the power which Messrs. Hauser & Co. have acquired by a two-years' monopoly, and there is nothing but their own interests to prevent their doubling prices in any emergency, as for the moment there is no other agency which could on short notice fulfil large contracts. They are in a position even now to name their own prices for the May contracts.

(3.) As things stand, so much organisation would be required not only to buy, but to forward, feed, and stable horses, that the first few shipments by any new agency, even if bought cheaper in the first instance, would probably cost more when shipped than we now pay Messrs. Hauser & Co.

(4.) As stables and organisation entirely belonging to Messrs. Hauser & Co., our Remount Officers would be powerless if called on to ship a consignment sent from any other quarter.

X. It was carefully impressed on me by our Ambassador that the Austrian Government wish to regard the whole transaction as a purely private business matter, and Ministerial replies to questions on this subject in the Reichstag have been to the effect that it was equally free to Boers or English to use their markets. Further interpellations are, I believe, expected. I may, therefore, be permitted to suggest that all officers should be warned to keep to their rôle of private gentlemen. On the 14th inst. I found C.V.S. Cannon and Hamilton dining in khaki uniform in the principal restaurant here, and had them ordered out to get into mufti. I learned afterwards that they had been about in public that day, and that the former was said to have travelled out overland from London in this garb.

XII. At Buda Pesth I saw about 25 harness horses, chiefly which I was told had been bought for Messrs. Whitfield, Edgware Road, at prices from 150 to 350 florins (12*l.* to 30*l.*). They were to be sent *viâ* Hamburg. A look at them might perhaps give some idea of the relative prices in the two countries.

XIII. On all three transports some of the "brows" were very steep and nasty to negotiate. The fittings of the "Iona," of Dundee, were very inferior, and I do not understand how she passed the Admiralty examination, though I hear she has been successful in previous voyages, *e.g.*, on the port-side, between decks, about midships I measured three stalls of only 5ft. 6ins. high, in which horses were loaded, and could not even hold their heads up. Many others were only 6ft. 8ins.—not 8ft. high—whilst the passages between some stalls on the main deck were less than 3ft. wide, and with the feeding troughs on, there was no room to pass. The zinc feeding troughs are very unpractical, as they are so easily rubbed or shaken off by the horses that within a few minutes of their being hooked on, half of them are knocked off and their contents wasted. The web headstalls are all too large, and useless till there is time to have them taken up at the poll. The "Pinemore" was in every respect the best of the three transports I examined.

XIV.—(1.) I believe a Blue Book has been published embodying the Reports of the Remount Department in S. Africa, and I should be glad of a copy of this for reference.

I was informed recently that the Turkish Government purchase Hungarian Remounts at L.T. 23, and have also tried Russian Artillery horses at L.T. 26, but that their officers much prefer the former.

(2.) There are no horses to load for a few days, and on despatching this letter I will proceed to the depôt at Agram, and to Buda Pesth about the 22nd, and my address till the end of the month will be—

% Mr. Thornton,
H.B.M. Consul, Hotel Hungaria,
Buda Pesth,

as he will kindly forward my letters.

I have asked Col. Pratt to furnish an independent report, which I will enclose, and forward under cover to Messrs. King, as less likely to attract attention.

I send also a separate letter, relative to verbal instructions received from the Secretary of State.

I have, &c.,
M. G. GERARD,
Lieut.-General.

From LIEUT.-GEN. SIR M. G. GERARD to the Q.M.G., War Office.

c/o H.B.M.'s Consul-General,

Hotel Hungaria, Buda Pesth,
24th March 1902.

SIR,

IN continuation of mine of 17th March 1902, I have the honour to report that I visited Agram from the 19th to the 23rd instant, and inspected the depôt and the next two shiploads of horses, about half of which I saw examined and purchased.

2. With reference to the question in my instructions (l. 14, II.) as to whether the present stamp of cobs is in every way suitable, after having seen several hundreds of them trotted out and many of these ridden, I must say I adhere to my former opinion (II. (1) of 17th inst.), and think that the great majority of these have so far done nothing but cart or field work. I do not know if it is considered essential for what they may be called upon to do, but I am decidedly of opinion that they are, as a rule, incapable of moving a couple of miles at a gallop, a trial to which, after their long journeys, one cannot well subject them to here.

In all other respects they will, I am sure, do admirable campaigning work, and at their own pace carry a fairly heavy weight all day long, and they seem to possess all the other good qualities to which I alluded in my previous report.

I had two which struck my eye measured, one of 8 years was 74 inches girth and 9 inches below the knee, 14.1 in. high; the other, of 14.0, girthed only 2 inches less, and the same round the leg.

3. As to V. (l. 21), all these cobs had been rested at Stryj, and had their third examination by the State veterinary-surgeon at Agram on being detained. The stables adapted or erected at this place by the contractors, to whom they absolutely belong, are large, well ventilated, wooden buildings, 21 blocks in all, four of which, each for 200 horses, were only completed last December.

By my calculation they will hold 2,166 horses, including hospital accommodation for 194. In all respects nothing could be better, and by the contractors' statement they have had only 50 deaths out of 19,000 horses which have passed through these stables in the past few months. If a fire occurred, however, the losses would be terrible, and probably not a single building be saved. There were some 1,900 cobs, including over 300 rejections, present when I arrived, but the numbers fluctuated daily. The Remount Officers, Majors Follett, Onslowe and Captain Campbell, with Veterinary Officers Tagg and Farrell (the latter recently transferred here), seemed hard-working and keen at their work, and as Major Follett and C.V.S. Tagg speak German fluently, this greatly facilitates matters.

During the days I was there 1,231 cobs were examined, 888 being bought, with 229 rejected by the Remount Officers, and 114 by the veterinary surgeons.

Attached list (A) shows that of those rejected, 96 were for general unsuitableness—*e.g.*, light, cow-hocked, crossing, &c., &c., 60 lame, 39 over and 13 under height, 37 worn or old, 26 cataract, 16 long backs, 15 bad condition, 12 swollen legs, and 29 from other causes.

Major Follett I considered far the best purchasing officer throughout. Exception may be taken to the pace at which the others worked, and in two cases noted on list (A) 24 lame seem to have passed the examining officer and been afterwards rejected by the V.S., and an undue number passed by one officer on the one day. I have called Colonel Willan's attention to these two points.

The whole machinery worked well and smoothly, and there were no delays, the employés, chiefly Croats, having their assigned tasks, and performing these without noise or talking. Having only two veterinary surgeons, there were but two purchasing places possible. The cobs were trotted two or there

rounds before the R.O., who if their action seemed suspicious, or they showed temper, had them mounted and galloped. If satisfactory, they are then examined by the V.S. and as they are passed their colour, marks, height, and age are entered by a clerk in the book (one for each ship), and a number assigned. This is either chalked on their flank, or a slip of paper given to the man leading, and at the bottom of the yard, within view, they are branded—quarter, shoulder, and both fore feet—and passed on to the block where that shipload is collected. Unless doubtful cases caused delay, horses were passed at the rate of about 45 an hour. In round numbers, about 200 horses were seen and 150 passed by each Remount and Veterinary Officer on each day I was present, and there was nothing for it but to work at this rate, as it will be seen from my former Report (I. (8)). 2,400 cobs are due for embarkation from the 22nd to the 24th, and they often reach Agram only four or five days beforehand.

The Remount and Veterinary Officers do their work conscientiously, and are satisfied that their summary examination is sufficient, and though perhaps they over-estimate their powers of observation, the only ones I saw passed which I would have been disposed to reject were some I thought extremely underbred, which point is very much a matter of opinion.

It would, however, I believe, be more economical altogether to employ a larger staff. One V.S. must be kept at Fiume, and three only are available for the two purchasing depôts, though a fourth is, I believe, expected. As 6,500 horses have to be bought in April, and as one cannot regulate their arrivals, which depend on the contractors the bulk of these will probably have to be passed in less than 15 working days. Even granted that they are equally distributed to the two depôts, this would mean 140 animals to each Remount Officer and V. S. a day—no matter what the weather and light may be. Personally, I think the limit should be 100 in a day, as no matter how good a man may be, his eye gets tired.

As cobs cost Government 43*l.* each at the Cape (VII. 2) if even one useless remount were saved out of each shipload, this would amount to 300*l.* a month, and far more than this might result from extra supervision.

4. The number of rejections shown above is really no guide to that of the permanent ones. Often the same animal is shown twice in the same day—as I noticed two instances of this myself—whilst others refused at Stryj may be again tried on at Agram. Very many only required rest, to get over swollen legs, temporary lameness from kicks, or poor condition. Mr. Hauser told me that he had sold, I think he said, 1,200 rejected horses in Roumania and Bulgaria, besides some hundreds at Hamburg. I alluded to this latter fact in my previous Report, but I think the numbers given in each case are to be received with caution.

5. My information is as yet far from complete as to the contingent expenses, but so far as I have collected information as to the transport, the rebates on the Hungarian Railways are so large, increasing in proportion to the numbers sent, that the contractors are only paying about 1*l.* 3*s.* 6*d.* per horse from the Russian Frontier to Fiume (900 E. miles), and I fully expect to find that they are making a large profit under this heading, as I was led to believe that they are supposed to be paying about 6*l.* per animal for railway carriage alone. But I shall report in detail when my information is more complete.

Whether the present contract prices are reasonable or not, the present contractors are for the moment masters of the situation, and it would take some months to build up any new agency by which 5,000 to 6,000 horses could possibly be shipped monthly.

One great difficulty in the matter is the uncertainty as to how long any regular supply is wanted. When I saw Colonel Willan two days ago he had no orders for any shipments after the end of next month.

6. I shall await any orders here (Buda Pesth) for a few days, as I am collecting information, and am anxious to get permission to inspect the "Honveid"—somewhat answering to our Yeomanry—stables here. I am told their horses cost under 240 gulden (20*l.*), and are perhaps of the stamp required by us.

It seems I am just too late for the early spring horse fairs of any importance in the south of Hungary, and the next ones there are not till the middle and end of May. There is a large one lasting five days at Ryezow, in Poland, in the middle of April, where both Russian and Galician horses are to be seen, and I shall try and combine my inspection of the Stryj depôt—unless I receive orders to hurry this on—with a visit to this fair, and, if possible, also to the “Pushka” grazing districts, near Débreczin. All my Hungarian acquaintances recommended Transylvania for the stamp of horse required.

My address will for the present be as above. I may be allowed to mention that unregistered letters are supposed to be not quite safe. Mr. Thornton (Consul-General) will kindly forward letters from here, and it is easier to keep him posted as to my address.

I have, &c.,

M. G. GERARD,

Lieut.-General.

A.

Horses.	Rejected by	
	Remount Officer.	V.S.
<i>20th March 1902.</i>		
Major Follett and Veterinary-Capt. Farrell, half-day:	Unsuitable - - - 26	Wind - - - 1
Bought - - - 60	Old - - - 1	Ringbone - - - 1
Rejected - - - 43	Over height - - - 2	Cataract - - - 1
	Long back - - - 1	Sprain - - - 1
		Lame - - - 9
Total shown - - - 103	30	13
Major Onslow and Veterinary-Capt. Farrell, half-day:	Poor condition - - - 8	Cataract - - - 3
Bought - - - 99	Bad action - - - 2	Ringbone - - - 1
Rejected - - - 28	Over height - - - 1	In foal - - - 1
	Long back - - - 3	Big joint - - - 1
	Lame - - - 3	Side bone - - - 1
	Worn - - - 1	Contd. heels - - - 1
	Swollen legs - - - 1	Sprain - - - 1
Total shown - - - 127	19	9
Capt. Campbell and V.S. Tagg:	Worn - - - 14	Ringbone - - - 2
Bought - - - 170	Unsuitable - - - 11	Side bone - - - 1
Rejected - - - 96	Under height - - - 4	Sprain - - - 3
	Over height - - - 9	Sprained tendon - - - 1
	Long back - - - 5	Worn - - - 3
		Cataract - - - 6
		*Lame - - - 24
		Swollen legs - - - 7
		Too old - - - 2
		Too young - - - 3
		Wind - - - 1
Total shown - - - 266	43	53
<i>21st March 1902.</i>		
Capt. Campbell and Veterinary-Capt. Farrell, half-day:	Lame - - - 6	Ringbone - - - 2
Bought - - - 78	Over height - - - 2	Cataract - - - 5
Rejected - - - 23	Poor condition - - - 2	Strained Lig. - - - 1
	Unsuitable - - - 2	Old - - - 1
	Bad feet - - - 1	
	Cow-hock - - - 1	
Total shown - - - 101	14	9

Horses.	Rejected by	
	Remount Officer.	V.S.
<i>21st March 1902.</i>		
Major Follett and Veterinary-Capt. Farrell, half-day:	Worn - - - 3	Unsound - - - 5
Bought - - - - 48	Long back - - - 1	
Rejected - - - - 30	Over height - - - 1	
	Under height - - - 2	
	Unsuitable - - - 18	
Total shown - - - 78	30	5
Major Onslow and V.S. Tagg:	Lame - - - 15	Ringbone - - - 2
Bought - - - - 281*	Bad action - - - 4	Cataract - - - 12
Rejected - - - - 69	Long back - - - 4	Under age - - - 1
	Bad condition - - - 5	Over age - - - 5
	Swollen legs - - - 4	Red lips - - - 1
	Brushing - - - 2	Sprained tendon - - - 1
	Vice - - - 1	
	Over height - - - 5	
	Under height - - - 2	
	Unsuitable - - - 5	
Total shown - - - 350	49	22
<i>22nd March 1902.</i>		
Major Follett and Veterinary-Capt. Farrell:	Long back - - - 2	Cataract - - - 1
Bought - - - - 69	Lame - - - 9	Age - - - 1
Rejected - - - - 37	Worn - - - 3	
	Under height - - - 2	
	Over height - - - 2	
	Unsuitable - - - 17	
Total shown - - - 106	35	2
Capt. Campbell and V.S. Tagg:	Lame - - - 18	Entire - - - 1
Bought - - - - 131	Over height - - - 4	Strained lig. - - - 1
Rejected - - - - 47	Under height - - - 2	Over age - - - 3
	Unsuitable - - - 17	Cataract - - - 1
Total shown - - - 178	41	6

FROM LIEUT.-GENERAL SIR M. GERARD to the Q.M.G., War Office.

c/o H.B.M.'s Consul-General,
Hungaria, Buda Pesth,

14th April 1902.

SIR,

I BEG to acknowledge receipt of yours of 9th instant, and enclosure.

(2.) As to para. (2) I only mean to say that it would take months for any new agency to learn how to deliver 6,000 horses per mensem.

Messrs. Hauser's system was only gradually built up. From May 1900, till the end of June 1901, they supplied 13,779 horses, an average of a little over 1,000 a month; and, with similar conditions, other agencies could equally expand to meet present requirements.

It is, perhaps, somewhat late in the day to initiate changes, but I am decidedly of opinion that it would be more advantageous for us to keep our agencies for the collection and forwarding of horses wholly apart from those for purchasing them, *e.g.*, that we should have one (or more) contractors to take over horses when bought, and deliver them f.o.b. This is perfectly

feasible, and then we could induce real competition for the purchases, advertising for and accepting the most favourable offers from month to month, either from one large or several small tenderers. With reference to this, I may refer to my (6) below; and I was also informed by Messrs. Hofman, of Buda Pesth, that at first they had acted as forwarding agents for Messrs. Hauser.

(3.) I am in correspondence with regard to your (3), but so far have learned little of any value, nor do I now expect to do so without visiting the districts and inquiring on the spot, which I should be glad to do, when desirable.

(4.) As to (4), I already reported that probably many of the allegations attach to horses bought for the Imperial Yeomanry and Chartered Company—the latter especially—and as it is now nearly a year since the last purchase of Hungarians was made (per Hortensius 20.6.01), it is almost impossible to obtain any definite dates, on what—anywhere save in the outlying districts where horses were collected—is necessarily hearsay evidence.

These rumours are, however, so positive, they obtain such universal credence, and I have heard them from so many different sources (I may instance Colonel Wardrop, probably now in London), that it is impossible to wholly disregard them, as bearing on the character of our suppliers. I am, at the same time, fully convinced that our Remount Officers had no suspicion that anything of the sort had been done by the contractors. I am fully alive to the importance of obtaining, if possible, some definite evidence on this point.

(5.) With regard to your (7), the copy of my letter referred to does not mention the destination of rejected horses further than Hamburg, nor did I intend to say to England—though as some were rejected for height only, they may have gone there. Rumour stated that they went on to Antwerp to be shipped for the Boers.

(6.) With reference to your (11), before referring the offer home, I had satisfied myself that it was possible to get a contractor to take over horses at the place of purchase, insure them, and deliver them f.o.b. at Fiume, which I thought met the difficulty to which you refer. I only inquired from one firm for their terms “for information only.”

Their offer was to take over, keep, insure against accidents and deliver f.o.b., including five days (stabling) rest at the points of collection and three days stabling at Fiume—at 5*l.* per head for a distance of 1,000 kilometres (660 miles)—with various rebates for lesser distances and times, or charges for increase of the same.

Though I consider this too high, still it proved less than I anticipated in mine of 29th March 1902, and the cobs would have cost f.o.b. at Fiume 23*l.* 10*s.* per head—with the one extra risk over present contracts of losing animals from natural causes and not from accidents.

I have, &c.

M. G. GERARD,
Lieut.-General.

From LIEUT.-GEN. SIR M. GERARD to the Q.M.G., War Office.

Buda Pesth, “Hungaria” (Lemberg),
19th April 1902.

SIR,

I HAVE the honour to report, in continuation of mine of 14th April 1902, that I inspected the dépôt at Stryj, visited the Rzezzone horse fair, and have interviewed the two chief Galician horse dealers who are employed by the Austrian Government.

I am returning to-morrow, in accordance with telegram of the 15th, from the I.G. Remounts, to get Count Ivan Szapary's signature to the contract, which I am informed is being forwarded to me at Pesth.

2. The Stryj depôt, which was established two months since, has the great advantage of being situated 3 miles out of the town, and within a mile of the small station of Uherske, where—as at all stations in Galicia—there is a good (military) siding for horses. The large, chiefly wooden, farm buildings rented by the contractors from the agents of Pce. Lubornirski, stand well away from a village. They are irregular and commodious, capable of accommodating 800 to 1,000 horses, nominally 1,200, but further stabling might be hired in the neighbourhood. Save that the spacious straw yard is becoming terribly deep in litter, and may in summer cause a plague of flies, and the ever-present risk of fire, there is no exception to be taken to them. The water troughs, supplied by a pole and bucket from a well, are limited in size, but there is a running stream within 100 yards, at which animals can be watered. The position of Stryj is very central, and all horses coming from either the north or east of it, from Russia, are detrained and rested here, about a third of each shipload being purchased at this depôt. These are railed direct to Fiume, a minimum of 64 hours, where they are supposed to get at least two day's rest prior to embarkation, but this, I think, should be most carefully attended to, and I will write to Colonel Willan on the subject. The remainder, including, I fancy, a good many rejected ones, are made up in fresh batches and railed to Agram.

3. The purchasing officers at present at Stryj are Major Cole, I.S.C., and C.V.S. Hubbard, and they seem to me the best I have yet seen. The former, in addition to an exact diary, showing numbers shown, and causes of rejections—and by which it appears that about 100 a day is the average of their purchases—has kept a book of photos of typical cobs, divided into districts, with marginal notes of their characteristics, which may be of great service for future reference. I had heard that C.V.S. Tagg is somewhat slow at his work, but this seems to be a fault on the right side, as he appears to be very careful. Major Cole told me that he once had to reject 110 horses out of 132 shown; also that the contractors are getting a “little behind their time,” making somewhat of a rush of it occasionally to complete shiploads. Several of those rejected for height were, according to the contractor, going straight to Vienna.

4. About 800 horses were present at the time of my visit, but this fluctuates from day to day. The stamp of those I saw was quite the same as what I already reported on, but some recently detrained were a good deal done up. I tried some of their measurements, which were up to previous batches. One of the 14 hands $1\frac{1}{2}$ ins. girthed $73\frac{1}{2}$ ins. and $8\frac{3}{4}$ ins. round the leg below the knee. Forage and attendance is good and cheap. The contractors had told me they paid a florin a day per man, whilst I learned here that 30 kreutzers (6*d.*) a day without food or clothes is the very maximum, whilst the forage of a horse is estimates at 4*d.* to 5*d.* (pence) a day.

5. The Rzezow Horse Fair, which was advertised from the 14th to the 17th inclusive, proved very disappointing, chiefly because it fell this year during the Jewish Feast, and this kept dealers, the bulk of whom belong to that creed, away; and few horses and little business was expected till the following week. The weather also was wretched, and animals were huddled away in dark stables, some of which we visited, but the horses we saw were far too large for our requirements. Prices sounded fairly low. The Austrian Government Remount Commission was purchasing here for their cavalry, and I saw some of those selected, and for which the average price is 325 florins (27*l.*).

6. I may mention I have recently seen the horses of four regiments out here, including one of Honveids, whose horses I liked the best of the lot. They run about 15 hands 2 ins. to 15 hands 3 ins. at a guess, as they measure differently (round the curve) from what we do. Though the average cost is 325 florins, some 30 to 40 per cent. bought young and kept at depôts for a year or two are supposed to cost Government 500 to 600 florins, and this

system is not approved of by regimental officers. The Honveid horses are bought direct by regimental Colonels, and struck me as being better bred, and in every way superior to those of the regulars. Colonels of the latter may also on occasion buy, but say their purchases are so criticised by Inspecting Generals that they do not care to do so. The chief fault, especially with some of the Hungarian horses, was their being sometimes a bit light below the knee, but their legs were marvellously clean. Considering that in marching order the Honveids ride 20 stone 6 lbs. (130 kilos.), and Hussars and Uhlans (the latter of whom have given up the lance) over 21 stone (135 kilos.), and do far longer marches in their Manœuvres than British cavalry horses are called upon to make, at all events in India.

7. One object I had in view was to ascertain the names and to interview some of the most desirable horse dealers on the frontier, particularly those with a Russian connexion. One of these, Mr. Edmund Krauntz, of Rzesow, was, like other dealers out here, most anxious to establish a connexion with the British Remount Department. He supplies a good many of the cavalry remounts to the Austrian Government for regiments in Galicia (108 squadrons of 150 horses each).

After inquiring as to our specifications, he offered with six weeks notice to supply not less than 1,000 horses f.o.b. at Fiume at 300 florins (25*l.*) a head, and understands he would have to lodge security.

8. I have also seen Mr. Spërling, of Tarnopol, who was recommended to me by Colonel Count Huyn, Commanding 2nd Uhlans. He struck me as being the best dealer I had seen out here. He has at present the Austrian contract for the Field Artillery in Galicia, about 400 a year—all Russians—but told me he has been warned by their General Staff to look out for other sources of supply as the export of Russian horses may be stopped at any time.

He said he would require 10 weeks notice for any first shipment before the date of embarkation at Fiume, and that without going into the question he could not say for what he could deliver them f.o.b. there, but would let me know. He says he can deliver them at Tarnopol (90 miles from Stryj) at 250 florins (21*l.*) each. He says he has sources of supply far superior to Messrs. Hauser and Schlessinger, whose first Russian dealings began last autumn, whereas his firm has dealt there for two generations.

He also says he could deliver f.o.b. at Odessa at 21*l.*, but that it would be unsafe to attempt to do so. Indeed, he tells me that our Russian purchases are exciting daily increasing grumbling, and that he is often asked if he is buying for the English or Austrian Government. Last week, he says, he was asked in the railway train if he was purchasing for the English by a Russian General, who added, "We would soon ascertain if you are, and we are going to stop all that very soon now." He said, he supposed in such an eventuality our Remount Department would allow a consignment to be completed by Polish horses. I repeat Mr. Spërling's remarks textually for what they are worth. He considers Russians better weight carriers than Hungarians, as the latter, like English T.B.'s, have lost bone from "in breeding."

I append a report from Lt.-Col. Pratt, R.A.

I have &c.,
M. C. GERARD,
Lieut.-General.

From LT.-GEN. SIR M. GERARD to the Q.M.G., War Office.

SIR,

Fiume, 7th May, 1902.

I REACHED Débrecezen on the forenoon of the 25th April, but found I had been misinformed as to the date of the horse fair there, which had just concluded. I was, however, given every facility to examine both the

cavalry horses and the municipal stud farm; and, as the Colonel of the 7th Hussars, to whom I had introductions, attached a Hungarian speaking officer to me for my stay, I had every facility for inquiries.

2. The "Hartobagy" farm for stock, belonging to the Débrecezen Municipality, is the largest of its kind in Hungary, and variously estimated up to nearly half a million acres. The Superintendent could merely say that there was a stretch of about 35 kilometres each way, without a village upon it. The whole is a dead flat of very fair and sound turf, even the marshy looking bits being safe to ride through. Besides the municipal stock—there are 23,000 head at present—peasants can have horses grazed there at 3.80 florins (six shillings), including veterinary treatment, for six months.

The horses, of which there are about 7,000 run loose in droves of from 100 to 500, kept strictly apart, and there are two or three "chighoshis"—regular "cowboys"—one of whom must be always present, and throughout the night mounted with each lot. Their pay runs from 5*l.* to 2*l.* for the six months without food, and 382 are at present employed. They ride without saddles, using a piece of canvas with stirrups, and no girths, and carry a lasso, stock whip, and snaffle, and just lasso a horse as it is required for a "mount." I attach a few prints, which give a better idea than a mere description.

The extraordinary tameness of the stock under these conditions much surprised me. The horses allowed one to pass freely through their droves, and even to handle them. They were of all ages, though those under five much predominated. I should say about one-half are 14 to 15 hands, though it is difficult to judge looking at whole droves, but those I was alongside of were chiefly of cab height. Their average values, as given me by the Superintendent, were 200 to 220 florins (about 18*l.*) Quite the dearest I saw were two mares of 15 hands 3 ins., which he valued at 850 florins the pair (35*l.* each), whilst another well-matched pair of bays he only put at 450 florins (38*l.* the pair). The above were four or five years old.

Colts are gelded at two years, but the sexes are herded separately. I did not care for the stallions, of which I saw 38 kept in small stables of five or six, some miles apart. They seemed more the "Norfolk trotter" style, heavy and soft. Many have a strong strain of Spanish blood, and not one that had not a strain of a particular stud called "Nonews," which I at first took to be the name of a stallion.

An English commission of 26 "Farmers" was expected to visit the stud on the 20th May.

Many covering stallions are only four years old.

3. At Koloszar (Klausenburgh) I visited the three local horse dealers. Messrs. Hirsch, Herrmann, Jakobi Aron, and Olhaum Lazar (as invariably is the case—all Jews), and saw a limited number of specimens of Transylvanian horses. The dealers are all small men, and incapable of delivering a single shipload from want of capital; but if we were purchasing ourselves on the spot, could collect the necessary numbers at an average, one said, of 200 and others 225 florins, at Koloszar (16*l.* to 18*l.*). The few I saw I much liked, and some reminded me of "Gulf" horses, or the stamp one sees in Turkey. The polo ponies at Pesth are chiefly Transylvanians. One good looking pair of 5-year old, 15 hands 3 ins., carriage horses, was offered at 450 florins (38*l.*), and two nice cobs of about six, at 120 florins and 145 florins (10*l.* and 12*l.*). The latter was about 14 hands 3 ins., girthed 72 ins. and 8½ ins. below the knee. The bulk of the animals in this country are hill ponies (called "Heklars"), but as I saw no types of these, I cannot say if they are big enough.

4. On the 5th instant, at Count Ivan Szapary's request, I went to Szegedin and saw some 225 cobs there collected, and which are the best lot I have yet seen, though, as I have already mentioned in a note to the Commander-in-Chief on the 2nd instant, I hear privately that they will only cost about 24*l.* f.o.b. at Fiume. They are not only better bred, but, what surprised me most, is that they have larger chest and leg measurements than the Russian cobs. I measured about one in every 8 or 10 as they were led out, and the average of 10 I wrote down is 71½ ins. girth and 8½ ins.

below the knee, 14 hands $2\frac{1}{2}$ ins. height. (The Russians averaged $68\frac{1}{2}$ ins., $7\frac{3}{4}$ ins., and 14 hands $2\frac{3}{4}$ ins.). I fully expected them to be lighter, though better bred. Perhaps their cannon bones were a shade longer, though the hairy legs of the Russian ones may have caused some illusion about this. A large proportion, if not the majority, were mares, and I only noticed two that were over 15 hands, and about a dozen that I thought would not pass, long backs, too short in front of the saddle, and one only too light in bone. I hope the rest of the shipload will come up to this standard. Several I saw would sell well as polo ponies at home. Count Ivan has secured ample and excellent accommodation in the sheds of a large distillery on the outskirts of the town, which has gone into bankruptcy and is now shut up.

5. When at Hartobagy I asked Mr. A. Farkosh, the superintendent of the stud, who mentioned that Mr. Hauser had only bought "trash" in their district, if he could give any precise dates, and he said he had himself seen Hauser's agents at Debreczin in January and in April 1901 buying up whatever they could get at below 100 florins (8*l.*), and absolutely refuse to look at anything over 120 florins, when there were excellent ones to be got at from 180 to 220 florins. As stated in mine of 17th March, III. (2), our Remount Officers only see horses as a rule at the depôts, and know nothing of their purchase. At Hartobagy also, one of the peasant horse owners spontaneously volunteered the information that Hauser's agent was still buying cheap, small horses in their district, and sending them by rail to Stryj. I already alluded to a similar rumour in my No. 22 of the 17th March. I accordingly saw the Debreczen station-master, who told me that for months past there have been weekly consignments of 30 or 40 horses from there to "Korozmesgo," on the Galician frontier, (direct line to Stryj), but that the regulations prevented his disclosing the name of sender or further particulars. He himself suggested that I should send a detective to watch and follow the next consignment. On the 5th instant, at Szegedin, on asking Mr. Schwartz, who is purchasing for Ct. Szapary, and who named Debreczen as the district whence many of the cobs had come, if he had any competitors in that market, he replied only an agent of Mr. Hauser's—a Mr. Jacksen—who was sending horses out of Hungary, but that as he was only giving 90 florins it did not affect his requirements. Of course, it is always open to Messrs. Hauser to deny that these horses are sold to us.

6. I am more than ever convinced that to combine economy and efficiency in our horse purchases, in this particular country at least, we should change our f.o.b. system to one of having separate agencies (a) for the collection, keep, and forwarding horses after purchase, and (b) for buying them, which need not interfere with our acceptance of more favourable f.o.b. offers which present themselves. So far as my as yet limited inquiries go, and still more from what I hear from Hungarian acquaintances, good cobs should be got at an average of about 18*l.* if paid for on the spot; indeed, one Hungarian told me that this is so much more than the peasants could ever hope to get out of a Jew dealer, that if it were once known that British agents were paying this in ready money, that any centre we might name beforehand would be crowded with horses to select from.

7. As to the difficulties and risks between purchase and embarkation, I have stated that it is easy to meet this by contract, and I am informed that perfectly solvent firms, which would lodge reasonable security, would gladly undertake such a commission. Prices are considerably higher at Fiume, but "up-country" 6*d.* a day covers the forage of a horse, and attendant's wages average (30 kreutzers a day), much the same, save for a few weeks at harvest and vintage times. Stabling is also obtainable at proportionately low rates, so that with the usual average of one man to eight here, horses' keep should cost less than a shilling a day a head, or say 1*l.* 10*s.* per month.

The cost of railway carriage, even excluding the large rebates increasing with numbers sent, works out for, say, 600 kilometres, the distance of Ct. Szapary's dépôt at Szegedin, to about 1*l.* 5*s.* per horse, and if we further allow the loss of 7 per cent. of the numbers purchased (and by insurance

this might be much reduced), the total expenses of keeping a horse for a month and railway it to Fiume, with a fair margin for risks, should not exceed 4l. An addition of 2 per cent. to this sum (less than 2s.) is at the rate of about 25 per cent. per annum, and it would be exceedingly profitable for a firm to contract with us on these terms. We ought, therefore, to be able to get horses delivered at the ship's side at an average of less than 23l.

8. I recently consulted Dr. Brüll, the British Consul at Pesth, who is himself a man of business, and very highly thought of by our Consul-General, whether he considered such a scheme practicable, and he said he had been all along most decidedly of opinion that we should go even further than this, and only employ "middle men" as paid agents at fixed percentages. He assures me we could easily get a bank or large firm in Pesth to undertake such an agency; to give ample security, arrange all, from the collection of horses before purchase and payment for them on the spot, to their keep, insurance, and transport afterwards, and submit exact accounts to our Remount Officers, all at a fixed rate or percentage. When I objected that horse dealers to collect the animals must be found, he replied that there were plenty reliable ones without much capital, who, so long as they had no pecuniary risks, would gladly collect horses at a fixed (or graduated) percentage, paid only upon those bought by our Remount Officers.

Like all things at the outset, there would be a certain amount of trouble and responsibility in starting such a scheme, or one such as detailed in the preceding paragraph, but I believe both to be perfectly feasible, and think either would be a great saving to Government; nor need our intention of such a system in any way prevent our at the same time accepting favourable offers f.o.b. shipments, as at present.

9 By yours of 2nd May yesterday received, I see that the Commission for the purchase of Count Ivan Szapary's horses will be at Pesth in a day or two, and I had hoped to be there to meet them. As, however, the Emperor and Court are to be at Pesth next week, I know our Ambassador would prefer as few officers employed on the Remount business being *en evidence* as possible, and so shall defer my return there for a week or two, but will arrange to meet them at Szegedin.

I have, &c.,

M. G. GERARD,

Lieut.-General.

FROM LIEUT.-GENERAL SIR M. GERARD to the Q.M.G., War Office.

Buda Pesth, Agram,

17th May 1902.

SIR,

IN continuation of mine of 7th May 1902, I have the honour to report that I remained eight days at Fiume, where I inspected the transports "Hyanthes," "Montezuma," "Aparina," and "Kelvinside." The two first-named sailed on the 9th and 13th with 1,750 cobs, the third will load as soon as horses are ready, probably on the 19th, and the last-named requiring deck fittings, will not be ready till about the 21st. The "Montezuma" and "Aparina," with one minor exception in the fittings of the former, seemed perfect, and the mortality with such ships as these should be reduced to a minimum.

2. I must, however, again draw attention to the unsatisfactory nature of the zinc feeding troughs, so long at least as there is no means of securing them to the breast board. This might be done by two slots into which the hooks of the trough fitted, or by a second length of plank on the inside of the breast board, between which the hooks could fit. At present horses get such a trick of knocking their troughs off, that a quantity of their food is often lost, and this may account for the bad condition in which some are reported to land. They begin by, when rubbing their heads, catching the bottom of the hooks and tipping the trough over, and from this soon acquire the trick of pulling it off with their teeth. All officers

who have seen these in use agree as to this defect. I saw a horse in a state of panic, banging himself about the head with one trough, which he had lifted off, hooked on to his headstall, and many cases where these had fallen underneath the horses and were being kicked about or stamped upon.

3. I accidentally noticed that the veterinary stores on the "Montezuma" had come out overland, though she, as well as the "Aparina" and the "Kelvinside," all sailed within a few days of one another from Great Britain. On inquiry at the shipping agents, I found that on the 30th April 7 tons 3 cwt. (odd) of veterinary stores had been sent out from Woolwich overland by Ostend—either by passenger or express train—including stores for ships not due at Fiume till the very end of this month. As they were carriage paid, I could not ascertain what this had cost, but if at similar rates to passengers' luggage, this must have been about 300*l.*, and seems a needless waste.

4. I also see that Remount and Veterinary Officers to accompany transports are invariably sent out overland to Fiume, which with baggage must come to about 15*l.* a head. As in many cases they could have travelled gratis by the transport herself—as two captains have told me—I draw attention to the fact, though probably there is some good reason for this procedure.

5. The stamp of the 750 cobs per "Hyanthes" was only moderate, and I thought them inferior to previous shipments I had seen, and Col. Willan concurred in this. They had no noticeable compensations in bone or girth to make up for their want of blood. Those shipped on the "Montezuma" were taken, all in all, decidedly superior to these, though not all up to the same standard.

Some we picked out had the best girth and leg measurements we have yet had, whilst others were below the average in both respects.

The shipment for the "Aparina," 800, whose purchase was completed here yesterday, is perhaps the best lot I have seen, and the purchasing officers thought it about the best they had yet passed, but there is a decided falling off in those now being bought for the "Kelvinside's" cargo, 700, and a good many of those which will come forward to-day are lighter in bone than I care for.

Though it is eight months since the first consignment of Russians was sent from Fiume, no word has been yet received by the Remount Officers here, who are naturally anxious to learn whether they are giving satisfaction or not. With the increased number of V.S.'s they have been able to have three purchasing places at this depôt, and Major Follett reports that he finds this ample. With Major Cole's departure there will be only three Remount Officers for the two depôts, with five V.S.'s.

6. From here I shall go to-night to Eszek and Szabadka, and thence to Pesth, as I have not yet seen Sir Saville Crossley's Commission. I had suggested to him to visit the Agram depôt, and see the stamp of remount now being purchased, as a sort of standard of comparison, but he wrote that he had not time to do so.

7. Count Eugène Zichy, the great traveller, suggested to me Mongolia as a source of supply. According to him, within a few weeks' march of the coast, most enduring and excellent small horses are obtainable at a few dollars a head; and he says we should find the sea journey to the Cape no worse than from Canada.

I have, &c.,

M. G. GERARD.

Lieut.-General.

From LIEUT.-GENERAL SIR M. GERARD to the Q.M.G., War Office.

Buda Pesth, H.B.M.'s Consulate,

27th May 1902.

SIR,

IN continuation of mine of 17th inst., para. 5, in reporting on the cobs which I had seen for the "Aparima" and "Kelvinside," I omitted to attach a list of purchases and rejections, which is:—

			Bought.	Rejected.
By Major Follett	-	-	300	206
„ Onslow	-	-	377	198
By Captain Campbell	-	-	450	139
Total	-	-	1,127	543

The remainder of the shipments (1,500) were bought at Stryj. Of those rejected, and all of which probably appeared before each of the three purchasing officers, occasionally more than once:—

157 were lame.

153 „ unsuitable (light of bone, condition, vice, &c.).

61 „ filled legs.

53 „ too small.

4 „ too big.

47 „ too old or worn.

27 „ too long backed.

41 „ from various veterinary causes.

2. Unfortunately, two local magnates, one of whom is President of the Croatian Horse Society, were absent from Agram at the time of my last visit there, as I had obtained letters of introduction to them.

At Eszek, I interviewed Herr Johann Wank, who is recommended as a most reliable dealer. He, however, says he would require three months to collect a first shipment of 800 "cobs," which are harder to get than younger or larger horses would be. He could not undertake to do it at less than 260–280 florins a head at Eszek, *i.e.*, about 25*l.* at Fiume. Messrs. Hauser had, he said, bought in those parts about a year since at 150 florins each.

3. At Szabadka, another well-spoken of dealer, Herr Vlada Krnajski, could with a month's notice deliver 1,000 cobs of ours specifications f.o.b. at Fiume at 300 florins (25*l.*). I also heard that Messrs. Hauser have sold 500 of our rejected cobs (height, &c.) to the Turkish Government, two of whose officers were at the time of my visit there.

4. A Mr. Bertalan Weisz called on me on the 19th inst. at Szabadka, saying he had come about "the 1,000 horses ordered by Mr. Hauser by telephone," and which he evidently imagined to be the cause of my visit. I could get no further information out of him, as he apparently realised he had made a mistake. I am told he is a commission agent in a very small way, and buys at a percentage for Mr. Hauser. I can only suppose that these were to supplement the Russian contracts, particularly as not long before there had been a telegram in the "Pester Lloyd" of the prohibition of the export of horses from the seven S.W. Governments of Russia. I have drawn Col. Willan's attention to this.

5. Messrs. Schwimmer, of Temesvar and Pesth, who have been for years contractors for the Turkish cavalry (I have heard at the rate of £T23 per horse) told me they had offered Col. St. Quentin horses for the I.Y. at 25*l.*, and that a member of their firm is now in England, and hopes to get an order for 3,000 horses at 26*l.* 10*s.*, which is too much; but they seem to think that anything less than the Szapary contract must be acceptable to our Government.

6. At Temesvar I also saw a dealer, Herr Miksa Fischer, of whom I had heard nothing previously, but who seems a respectable man. He would

require two months to collect a shipload of cobs, which he could do there at 200 to 220 florins, *i.e.*, about 22*l.* to 23*l.* at Fiume. [One can send a horse from Pesth to London, *via* Rotterdam, at 6*l.* each, so 4*l.* to Fiume is a liberal margin to cover insurance, &c.]

He volunteered the information that he had sold 12 cobs to Herr Schwartz "for the English" at Szegedin, four of these on the preceding day (24th inst.) at 150 to 160 florins (12*l.* and 13*l.*), of which I have informed Sir Saville Crossley.

At his stables I saw a few very nice specimens of five-year olds, from 16 hands to 14 hands 3 ins., at prices ranging from 37*l.* to 17*l.* each, and I am told they are a good deal cheaper in October, after harvest time, to save their winter keep.

These small dealers, who have not capital to deal at Vienna or Berlin, are far more moderate in price than the larger ones, for whom they buy on commission; but they are shut out from our contracts by the f.o.b. system.

Presumably, Mr. Fischer made his own profit on the 12 cobs sold to Mr. Schwartz at 13*l.*, who passes them on to Count Szapary at probably 20*l.*, who passes them to us at 26*l.*, *i.e.*, allowing 4*l.* per head for keep, insurance and transport.

6. On 26th, at Szeged, all was going smoothly, and nearly 600 cobs were bought. Sir Saville Crossley hoped to finish the 750 by the 28th. There were about 100 cobs rejected for age—5-year olds—which were quite the pick of the lot.

7. I enclose a declaration which Count I. Szapary asked me to forward to the W.O. in connection with the reports he had heard circulated as to the sale of his contract, which I do without comment.

8. The telegram referred to in my (4) above mentions Volhyina, Bessarabia, Kieff, Jekaterinoslav, Podolia, Poltava, and Cherson as the seven Governments affected by the prohibition. As this may affect our present supply, and as my report would be incomplete without a visit there, I start to-morrow for Russia, though I shall not have time to get further than the Tamboff District, but so many of our remounts are said to come from the triangle Kursk, Tula, Tamboff—just clear of the prohibited area—I hope, if I receive in time the introductions I have asked for from St. Petersburg, to collect some useful information.

My only possible address would be "British Consulate, Kieff." I should be in Pesth by the 12th or 13th, and in London on 17th June.

I have, &c.

M. G. GERARD,
Lieut.-General.

FROM LIEUT.-GENERAL SIR M. GERARD to the QUARTERMASTER-GENERAL.

SIR,

Buda Pesth,
13th June 1902.

IN continuation of mine of 27th May 1902, I have the honour to report that I left Buda Pesth on the 28th ultimo, reaching Kiëw on the 30th idem. As I have received from St. Petersburg an open letter from the Ministry of the Interior for all railway officials to assist me, and one from General Strukoff, Inspector-General of Remounts, with recommendations to local horse-dealers, besides other introductions, it proved easy to make enquiries.

Leaving Kiëw on 1st June, I reached Woronësh—considered almost the centre of the horse trade—early on the 2nd, Tambov on the night of the 3rd, Kaslow on the 5th, Orël on the 6th, Kursk on the 8th, and Kiëw on the 9th instant, returning to Buda Pesth on the afternoon of the 12th, and, starting to-night, 13th, should arrive in London on the 15th instant.

2. The prohibition against the export of horses from the seven S.W. Governments, reported in mine of 27th April, was due to the large exports

from the Kiëw Province, no less than 8,000 within the last few months having been despatched by one Jewish dealer, Kashkin, presumably for Messrs. Hauser and Schlessinger. He, at the time of my visit, was in prison, but whether in connection with this transaction or not I failed to learn. As this Government, together with Poltana, Khenon, &c., is considered by the I.G.R. to be the best purchasing district for the Russian Cavalry, and as I also saw the offer of a contract from Fluxman, of the Rue Faubourg St. Honoré, Paris, for the supply of 3,000 horses [2,000 for cabs at Rs. 150 (15*l.* 15*s.*), 5 to 8 years, 15·1" to 15·3"], this drain was likely to affect the prices of remounts, and the prohibition is not surprising.

3. In mine of 17th March, III. (3) and IV. (2) (3), whilst stating that "by the contractor's account they have some 50 'buyers' with commission agents under them, and with about 50,000*l.* in ready cash, scattered through the districts," I was, I must say, somewhat staggered by the magnitude of the organisation that would be required to replace the existing agency (as I stated in IX. of the above letter). I was therefore not prepared to find how completely we have been misled on this, as on other points.

These so called "buyers" did not exist so far as being employes of Messrs. Hauser & Co., who simply sub-contracted with local—always Jewish—dealers, for the required supply: *e.g.*, Mr. Kashkin, of Kiëw; Isaacs and Hutaffer, of Warsaw; Pimka Magodow, of Orël; Labell and Weissman, of Koslow; Abram, of Tambov, &c. &c. The brother of Mr. Hauser, a son of Mr. Schlessinger, and a Mr. Dreimer, an employé of Schlessinger's, were the only people connected with our contractors who I heard of as having been at any of the places I visited. Jews in Russia require special passes to purchase horses, and some of the native Russians were beginning to urge that these should be withdrawn.

4. From the information furnished by station masters, the large majority of our cobs were entrained within 1,000 versts of the Austrian Frontier, and very seldom had more than five or six days in the train. Three or four thousand from the Volga and Orenburgh may have had up to 13 or 14, they thought; whilst from the Kiëw district, whence one-fifth of our total purchases had recently been sent, it was only about 50 hours at the most. As, unlike the Austrian and Hungarian system; the hirer of a wagon may load as many animals as he likes into it, these local dealers frequently put in 10, and one station master told me even 12 horses per wagon—lengthways like cattle—and to this, far more than to the duration of the journey, the bad condition of the cobs in some cases, was probably attributable, none of them had seen any nosebags, and they believed that nothing but hay was given.

5. As will be seen from the attached (B and C), railway transport, if slow, is as cheap as in Hungary, (A) particularly by special horse train, when it is about 25 per cent. less per wagon than by ordinary one, and may be taken to average 12 copécks per wagon per verst—roughly equivalent to 4½*d.* per wagon per English mile; and taking Woronësh as the average distance from which our 40,000 Russian cobs were railed, it will be seen from the attached (D) that our contractors, after the preliminary expenses of constructing stabling, &c.—more than covered by the profits of the first couple of shipments—must for the remainder of the 50 shiploads have cleared a profit of 10*l.* per horse, and far more probably one of 13*l.* or 14*l.* on each animal as shown in (E).

6. The price paid by the local Jews for our cobs was, I was assured, never more than Rs. 110 and far more generally averaged Rs. 70 to 80 (8*l.*). At the former price really good cobs are procurable of the stamp of our requirements. In fact prices throughout seemed most moderate, save for "Orloff Trotters" and other few "chevaux de luxe." I saw some excellent carriage horses at 16*l.* each, and at the Demievskaia and Usman Fairs I saw plenty cobs of about our stamp at from Rs. 50 to Rs. 90, whilst even in the dealers' yards one was seldom asked more than Rs. 100 to Rs. 125, and a certain amount of bargaining is invariably expected in this country. One German purchaser from Präg showed me some very fair ones bought at Usman, part of a lot of 18 he bought in a lump for Rs. 450, *i.e.* 2*l.* 15*s.* apiece; and a horse of about 15·1, which I would not be ashamed to ride in the Park, for Rs. 70 (7*l.* 12*s.*).

Of course these were "occasions," but there must be many such open to local dealers; and I was informed that prices would be down quite 20 per cent. in the autumn, after harvest time. According to General Strukoff, few horses east of the Volga are over 14·2", and their price generally 20 to 30 per cent. cheaper than in the Woronësh districts.

7. The following Russian horse dealers were well recommended to me: Messrs. Panchine, and Mr. Zanine, of Woronësh; Mr. Ivan Alexan^{ch} Demine, of Kaslow; and Thomas Krasoutski, of Kiëw. The ones I most fancied myself are Messrs. Shmurina, who own what is called the "Woronësh Tattersall's." They buy on commission of any stamp, but their speciality is officers' chargers, of which I saw about 25 specimens three or four years old, 15·2" to 16 hands, from 75*l.* to 150*l.* Though nearly T.B. and chiefly by English T.B. (Government sires), they had plenty of bone, and some carried themselves much like large-sized Arabs. They are most anxious to establish, if possible, an English connection. It would cost 2*l.* per horse by wagon, and I think about 3*l.* by horsebox to St. Petersburg, whence it used to be 5*l.* by steamer to Hull. Riga would be even preferable, but I do not know what shipping facilities there exist. The objection, as I pointed out to them that most of these chargers were entire horses, as is frequently the case in Russia. Another dealer I thought well of was Iakoff Alex^{ch}. Cheremisine, of Tambou, who showed some very good cobs at Rs. 100 to Rs. 125, and said he could in a month supply 1,000 cobs at Rs. 110, the cost of rail to St. Petersburg being about Rs. 17 apiece—i.e., 13*l.* 10*s.*—or allowing for keep and risks, 15*l.* at a port. I saw three or four other dealers—Savonova of Kaslow, Ivan Pavloff, of Orël, &c.—but did not care so much for them, whilst the Jew dealers I interviewed asked about 100 per cent. more than the Russian ones.

8. I saw a Report of one of the Russian Purchasing Commissions this spring, who had bought 362 Cavalry Remounts out of 1,887 shown them, at an average of 28*l.* apiece—the Austrian price being 27*l.* There were large numbers of ponies grazing everywhere, particularly between Kiëw and Kaslow; and not far from Kursk I estimated that in an hours' run we passed between 2,500 and 3,000 of them.

9. As I was asked to give any information that might be useful "for future guidance," I venture to express the opinion that for such purchases in a foreign country, we should work entirely through the Consols, whose special mission being to assist British trade, are in a position without, can without taking any hand in it themselves, give our officers the best indications with whom to deal, and procure them with really trustworthy interpreters, when they are ignorant of the country and language. Further, we should, as I already reported, for Hungary and Russia, at least, give up the costly f.o.b. system, and have separate agencies for (a) the purchase, and (b) for the keep and forwarding of animals, all of which can be done by contract, as detailed in mine of 7th May (7) and (8).

10. I heard several inquiries in Hungary as to the market for the supply of cattle to restock S. Africa; and if dealers there were furnished information, and above all hear of S. African firms who would act as agents, I believe large numbers of cattle might be shipped there as a private speculation.

I have, &c.

M. G. GERARD,
Lieut.-General.

A.

Between Stations.	Kilomètres.	Kröners.	Rebates.	Frontier.
Novosielice—Korosimejo -	252	138·88	Nil.	Novosielece — Russian —Galician.
Korosmejo—Fiume . -	1,141	449·42	Krs. 278·76	Korosmeyo — Galician —Hungarian.
Podvolocka—Beszkid -	311	126·08	Nil.	Podvolocka — Russian —Galician.
Beszkid—Fiume -	1,055	422·28	293·48	Beszkid — Galician — Hungarian.
Podvolocyska—Vedrany -	438	146·56	Nil.	Vidrany — Galician— Hungarian.
Vidrany—Fiume - -	1,017	407·10	271·40	Brody — Russian — Galician.
Brody—Beszkid . -	252	97·60	Nil.	
Beszkid—Fiume - -	1,055	422·28	293·48	” ”
Brody—Vidrany - -	339	120·96	Nil.	
Vidrany—Fiume - -	1,017	407·10	271·40	” ”
		Freight per wagon of eight horses. On Galician lines for 16 square metres area and for Hungarian lines, 4,600 kilos. weight.	The above-men- tioned rebates are allowed on the Hungarian State Railways, if 5,000 horses are sent up to 1st March, and 8,000 up to December 31st, 1902.	

B.

	Distance.	By Ordinary Train.	By Ordinary Train.
		Rate per Verst per Wagon.	Rate whole Distance per Wagon full.
Warsaw to frontier (Austrian).	288 versts -	15·75	Transport - Rs. 45·36 Groom - 1·60 Stn. charges 2·16 } =Rs. 49·12
Sublin ” ” -	347 ” - 27 ” -	15·75 18·00	54·65 4·86 1·60 2·60 0·21 } = 63·92
Kovno ” ” -	752 ” -	13·50	Transport - 101·52 Stn. charges 1·60 Groom 5·64 } = 108·76
Grodno ” ” -	542 ” -	14·625	” - 79·27 ” - 1·60 ” - 4·00 } = 84·94
Minsk ” ” -	747 ” - 27 ” -	13·50 18·00	” - 100·85 ” - 4·86 ” - 1·60 ” - 5·60 ” - 0·21 } = 113·12
Kowno to Riga -	378 ” -	15·75	” - 59·54 ” - 1·60 ” - 2·84 } = 63·98
Grodno ” -	517 ” -	14·62	” - 75·61 ” - 1·60 ” - 3·88 } = 81·09
Minsk ” -	536 ” -	14·62	” - 78·39 ” - 1·60 ” - 4·02 } = 84·01

N.B.—Rate per wagon per verst is as about 15·75 cöpecks to 10·97 cöpecks—by ordinary, to that by horse train.

C.

—		—	Per Wagon Rate per Verst. Cöpecks.	Rate whole Distance per Wagon. v	
Moscow to (frontier).	Wolochinsk	1,358 versts	13·88	Transport - Rs. 180·00 Groom - 8·55	} = Rs. 188·15
Kiew	„ „ -	401 „	15·75	„ „	= 63·15
Oriel to (Brody) via	Radzivilow Brjansk	942 „	16·00	Ordinary Train { 142·05 8·00 1·06	} = 151·65
„ „ -	„ „	942 „	10·97	Horse Train { 94·70 7·05 1·60	} = 103·35
Kursk	„ „ -	896 „	13·50	Ordinary - -	= 121·12
Kiew - - -	- - -	451 „	18·00	„ - - -	= 67·50
„ „ -	- - -	451 „	—	Horse train - -	= 54·00

D.

I.—Estimate: One shipload of 800 horses (cobs) at a fair market rate, and not overcrowding wagons:—

		£	
(1.) 800 horses at Rs. 110 = Rs. 88,000	- - -	} = 9,829	
(2.) 40(a.) horses (spare) at Rs. 110 = Rs. 4,400	- - -		
(3.) Voronesh to Kiew 675 versts.	{ 100 wagons Voronesh to (b.) Brody at Rs. 133·92 (= 1,424l.). Kiew to Badziviloff and Brody 441 v. Do. Brody to Fiume at kr. 226·40 (943l.).	} = 2,372	
Kiew to Badziviloff and Brody 441 v.			
(4.) Keep of 840 horses at 1s.(c.) a day for average of 30 days - - - -			= 1,260
		£13,461 expenditure.	
Price paid at 28l., 22,400l. = 11l. 1s. per horse—profit - - -	- - -	8,939 on shipload.	
Price paid at 26l. 5s., 21,200l. = 9l. 6s. per horse—profit - - -	- - -	7,739 „	

(a.) Five per cent. allowed for total loss, which averaged 0·25 per cent. So this margin covers depreciations.
(b.) Carriage for the spare 5 per cent. is not reckoned, as it would only be for a very occasional load, probably 1 per cent., after the first two or three out of the fifty (50) shiploads.
(c.) Even with the scarcity, oats were at 95 copëks for 40 lbs.; hay at 30 copëks per 40 lbs. In Galicia about 4d. to 5d. a day covers the forage (5 lbs. oats) of a horse not in work, and 30 kreutzers a day (6d.) the wages of a man, of which one to eight horses was average. In Russia wages were 20 to 24 copëks a day, and cobs got no corn.

E.

II.—Estimate: One shipload of 800 horses (cobs) at rates I am assured prevailed.

(a.) (1.)	800 cobs at Rs. 80 = Rs. 64,000	-	£ 6,808
	40 " " 3,200 (5 p.c. spare)	-	341
(b.) (2.)	Voronësh to Brody 1,126 versts 80 wagons	-	
	at Rs. 135·1 (1,149l.)	-	
	Brody to Fiume 100 wagons at	-	2,092
	krs. 226·40 (943l.)	-	
(c.) (3.)	Keep of 840 horses for 30 days at 1s.	-	1,260
			£10,501

Price at 28l. = 22,400l. = 14l. 7s. per £
 horse profit - - - - - 11,899 on shipload.
 Price at 26l. 5l. = 21,200l. = 13l. 2s. per
 horse—profit - - - - - 10,699 „ „

(a.) As in I.

(b.) Sometimes even 12 were sent up to Brody.

(c.) No oats were given, I am told.

From LIEUT.-COLONEL A. S. PRATT, C.B., R.F.A., to LIEUT.-GENERAL SIR
 MONTAGUE GERARD, K.C.S.I., C.B.

SIR,

Fiume, 17th March 1902.

ACCORDING to your request, I have the honour to make the following remarks on the cobs now being shipped at Fiume for Mounted Infantry.

I have now seen cobs embarked as follows:—"Monmouth,"—800. "Iona," 750. "Pinemore," 850. Total, 2,400.

1. *Nationality*.—Russian.
2. *Age*.—Five to nine years, average about seven.
3. *Stamp*.—Good, compact, short-backed animals, on short legs, plenty of bone, and up to weight. Quite my idea of Mounted Infantry cobs.
4. *Measurements*.—20 cobs taken which happened to be standing together, averaged:—

	Height.	Girth.	Leg below the Knee.
	Ins. 14·2 $\frac{3}{4}$	Ins. 68 $\frac{1}{2}$	Ins. 7 $\frac{3}{4}$
The biggest being	15·	70 $\frac{1}{2}$	8 $\frac{1}{4}$
The smallest	14·1	67	7 $\frac{1}{2}$

Six cobs measured 8 inches below the knee; and one cob measured 8 $\frac{1}{4}$ inches below the knee.

They are a very level lot, and I consider above to be a good average sample.

5. *Pace*.—Ponies of above description will, of course, not be what one could call fast ponies, though they are apparently very active for their shape and make.

6. *Colour*.—They are of every sort of colour, but nearly all whole colours, the piebalds are almost the only ones one sees with a white leg.

7. *Action*.—I have seen about 25 trotted out, and they all had good action, they are particularly active on their feet, as can be seen when being loaded on board ships, with the usual obstructions, when they hardly ever put a foot wrong.

I have not seen any ridden yet, it is impossible to do this in the middle of the town of Fiume, especially as the Custom House authorities will only let them out of the stable yard to go to the ships, or from one lot of stables to the other.

8. *Condition*.—A cob in bad condition, of which there are very few indeed (hardly any), is never put on board ship, but it is retained till he recovers his condition. The good condition they arrive in is marvellous, considering the distances (it is roughly 700 to 800 miles to Russian frontier) which many of them presumably have travelled by road and rail before arriving there, with breaks probably only at Stryj and Agram (the two places in Hungary where they are collected and passed by our officers), and also that they have been about three weeks on the road before arriving at Fiume, so we are told.

9. *Diseases*.—It seems hardly possible for a cob to be put on board at Fiume with a contagious disease, for each one must pass three Austrian and two English veterinary officers at least, *i.e.* :—

Austrian	{ 1 at Frontier.	English	{ 1 at Stryj or Agram.
	{ 1 at Stryj or Agram.		{ 1 at Fiume.
	{ 1 at Fiume.		{ —
	—		2
	3		—

10. *Hardihood and Tractability*.—I am sure they are hardy, for after all their travelling, one seldom finds one with a cold, or off its feed. They are very tractable and easily put on board ship, sometimes in very awkward places, and immediately begin to eat their hay; nothing seems to put them out, they hardly ever kick, at the same time they seem to have plenty of “life.”

11. *Price*.—I should say that for a similar cob in England the price would range from 20*l.* to 35*l.*, or an average all round of at least 25*l.* to 26*l.* 26*l.* is now the contract price for these cobs *on board at Fiume*.

I am unable at present to form an idea as to what they cost the contractors to put on board, but his expenses and risks, from the time his buyers in Russia (supposed to be about 50) purchase, till they are delivered on board ship, are considerable, when one takes into consideration the wages bill, hiring of stabling at Stryj, Agram, and Fiume, &c.; the disposal of those that are rejected at Stryj and Agram, also losses by kicks, wounds, &c., in train, which are not allowed on board at Fiume, but these are a very small percentage, *viz.* :—“Monmouth,” 1·5 per cent.; “Iona,” 1·2 per cent.; “Pinemore,” ·94 per cent.

The number put on board at Fiume is now at the rate of 5,500 per month, and in April it is to be raised to 6,500 per month.

12. *General Remarks*.—The general arrangements at Fiume for stabling, watering, feeding, shipping, treatment of sick, leave nothing to be desired; the principal stables and yard are fitted with electric light.

Colonel Willan and his staff tell me that the contractors “Hausen and Schlessinger,” through whom all the cobs are now obtained, are very good men of business, and always willing to fall in with their views in every way, but that they refuse to lower the price per cob below 26*l.*

I feel confident that the animals that I have seen are worth all round at the least 25*l.* to 26*l.* per head in England in ordinary times; and that they are put on board in exceptionally good condition, and as far as one can judge from an inspection of this sort, should be eminently fitted for Mounted Infantry work.

I have, &c.,

A. S. PRATT,

Lieut.-Colonel R.F.A.

C.

HORSES and COBS shipped from FIUME.

Hungarian Horses.				Russian Cobs.		
Ship.	Date.	Number.		Ship.	Date.	Number.
				1901.		
"Sussex" - - -	17 May	944*		"Hyantes" - - -	15 Sept.	710†
"Canning" - - -	28 May	727*		"Rembrant" - - -	7 Oct.	820†
"Matin" - - -	12 June	549*		"America" - - -	2 Nov.	750
"Rembrant" - - -	25 July	903		"Anglo-Canadian" - - -	5 Nov.	800
"Suffolk" - - -	27 Aug.	930		"Raeburn" - - -	8 Nov.	850
"Kent" - - -	6 Sept.	960		"Montfort" - - -	25 Nov.	875
"Milwaukee" - - -	28 Sept.	1,144		"Cervona" - - -	1 Dec.	750
"Monmouth" - - -	- Nov.	842		"Chicago" - - -	3 Dec.	800
Total - - -	-	6,999		"Ripplingham Grange" - - -	4 Dec.	744
				"Monteagle" - - -	12 Dec.	750
				"Iona" - - -	16 Dec.	760
				"Maplemore" - - -	22 Dec.	798
				"Pinemore" - - -	26 Dec.	750
				1902.		
				"Hydaspes" - - -	2 Jan.	950
				"Anglo-Canadian" - - -	6 Jan.	800
				"Rembrant" - - -	17 Jan.	820
				"Devona" - - -	19 Jan.	779
				"Colonian" - - -	24 Jan.	850
				"America" - - -	27 Jan.	750
				"Hostilion" - - -	29 Jan.	700
				"Sicilian" - - -	1 Feb.	836
				"Montfort" - - -	7 Feb.	875
				"Hyantes" - - -	9 Feb.	700
				"Cervona" - - -	17 Feb.	750
				"Chicago" - - -	18 Feb.	800
				"Monteagle" - - -	23 Feb.	750
				"Maplemore" - - -	27 Feb.	800
				"Hypatia" - - -	3 March	950
				"Monmouth" - - -	8 March	800
				"Iona" - - -	13 March	750
				"Pinemore" - - -	16 March	850
Total - - -	-	6,780		Total - - -	-	24,667

* Colonel Hotham.

† 101 of these were Hungarian cobs.

D.

HORSES and COBS SHIPPED for YEOMANRY from FIUME.

Ship.	Date.	Horses and Cobs.
1900.		
"Mount Lebanon" - - -	24.2	3,800
"Glenmorven" - - -	7.3	
"Elmdene" - - -	17.3	
"City of Lucknow" - - -	22.3	
"Monkseaton" - - -	27.3	

SHIPPED for BRITISH SOUTH AFRICAN COMPANY from FIUME to BEIRA.

Ship.	Date.	Horses and Cobs.
1900.		
"Leitrim" - - -	31.3	1,000 horses.
"Dunmore" - - -	9.4	

From LIEUT.-COLONEL A. S. PRATT, C.B., R.F.A. to LIEUT-GENERAL
SIR M. GERARD, K.C.S.I., C.B.

Hotel Hungaria, Buda Pesth,
24th March 1902.

SIR,

I HAVE the honour to submit the following remarks on the purchase of cobs at Agram, as witnessed by me on 20th, 21st, and 22nd March 1902. Agram is one of the two places where cobs are now collected for inspection before proceeding to Fiume.

1. *Stabling*.—There is stabling at Agram, belonging to Messrs. "Hauser and Schlessinger," for rather more than 2,000 horses, new stabling for about 1,000 having been added in the beginning of December 1901.

I consider them very good and suitable stables. Included in above is a sick lines, entirely isolated, which would hold about 180 horses. There were no infectious cases, the cases being nearly all kicks, bites, and injuries in the train.

I was informed that the whole of the horses in the stables are inspected daily by the State veterinary surgeon for contagious diseases.

2. *System of purchase*.—The *purchasing officer* sees the cob trotted out, judges him for action, soundness while trotting, shape and make, &c.; if he does not like him he rejects him at once. If he accepts the animal, it passes on at once to the veterinary officer and another cob is trotted out for him.

The *veterinary officer* examines the cob for sight, side bones, ring bone, sprain, &c.; if he passes him he at once calls out colour, sex, age, height, and marks for identification, such as off-hind leg white, &c., &c.; this is put down in a book opposite the number which is then being purchased for that particular ship load, such as 516 this number is either chalked on the cob's body, or the man leading it is handed a paper with this number on it; he goes at once to the forge, which is not far off, and well within sight of the purchasing and veterinary officers, where he is branded with "R," Russian, on off-shoulder; M.I., Mounted Infantry; on one fore foot and 516 on the other fore foot, and a ∇ on the near flank.

This book goes with the cobs to Fiume, and they are checked as they go on board the ship; the book accompanies them to South Africa.

3. *The usual causes of rejection*.—

(a.) By purchasing officer:—

Too big (over 15 hands), too small (under 14 hands 1 in.), too weak, bad hocks, wind wrong, vice, bad condition, bad action, too long in back, lame, worn, swollen legs, &c., &c.

(b.) By veterinary officer:—

Cataract, ringbone, sidebones, spavins, contracted feet, age, lame, worn, old sprains, &c., &c.

The above officers are not spoken to or interfered with in any way by any one while at above work.

4. *Rate of passing and number of rejections*.—When the work was in full swing (the natives all understand what they have to do, and there is hardly any talking) 10 horses would be examined and passed or rejected in from 12 to 15 minutes, *i.e.*, if there was no very doubtful case, as far as I saw, the animal was never given the benefit of the doubt, but at once rejected.

Some of these rejections will, of course, be shown several times, especially if rejected for temporary causes, so that a true estimate of the total number of rejections during any period cannot possibly be arrived at.

4. *Disposal of those rejected*.—I was informed that some 1,700, amongst which there are some very good animals, either too small or too large for us, have been sold by a dealer in Hamburg, in Austria, Poland, locally, &c., 60 had been sent by the Hamburg dealer to London. The above was, of course, only what we were told by the dealers.

5. Tables, showing numbers bought, &c., on 20th, 21st, and 22nd March, which I was informed may be taken as types of a usual day's business, are given below :—

Name of:— 1. Purchasing, and 2. Veterinary Officer.	Bought.	Rejected.	Total.	Rejected.	
				By Purchasing Officer.	By Veterinary Officer.
20TH MARCH.					
1. Major Follett (half day) - }	60	43	103	30	13
2. Capt. Campbell (half day) - }					
1. Major Onslow (half day) - }	99	28	127	19	9
2. Capt. Farrell (" ") - }					
1. Capt. Campbell - }	170	96	266	43	53
2. Veterinary-Surgeon Tagg - }					
21ST MARCH.					
1. Major Follett (half day) - }	48	30	78	25	5
2. Capt. Farrell (" ") - }					
1. Capt. Campbell (half day) - }	78	23	101	14	9
2. Capt. Farrell (half day) - }					
1. Major Onslow - }	289	69	350	47	22
2. Veterinary Surgeon Tagg - }					
22ND MARCH.					
1. Major Follet - }	69	37	106	35	2
2. Veterinary-Surgeon Tagg - }					
1. Capt. Campbell - }	131	47	178	41	6
2. Capt. Farrell - }					
Total bought -	944				

6. *General Remarks.*—I have no particular remarks to make, except that all the officers concerned seemed to do their work conscientiously and well, giving very quick and good decisions.

Exception might be taken to the short time allowed over each animal, but if those concerning which there is the slightest doubt are rejected at once, and the officers are well up to their work, as these are, I am satisfied that the work can be well done in the time ; in fact, it often must be done very rapidly, when one remembers that the total number to be passed by three pairs of officers in a month is 5,500, which in April is to be raised to 6,500, and on some days the dealers have no horses to produce.

I have no suggestions to make, for I do not see how the general system, which works very well, could be improved.

I think, however, that it might be advisable for no officer to purchase more than, say, 200 horses on one day, except in very urgent cases ; it is difficult to lay down a hard and fast rule, for the better the batch of animals the easier and quicker can the work be done ; on the other hand, a lame or bad horse is at once disposed of.

I have, &c.,
A. S. PRATT,
Lieut.-Colonel R.F.A.

Forwarded to accompany mine of 24th March (accidentally omitted).

M. G. GERARD,
Lieut.-General.

25.1.02.

From LIEUT.-COLONEL A. S. PRATT, C.B., R.F.A., to LIEUT.-GENERAL
SIR M. GERARD, K.C.S.I., C.B.

SIR,

Lemberg, April 24, 1902.

I HAVE the honour to submit the following remarks on the dépôt at Stryi, which is one of the two places where cobs are examined for purchase; Agram, on which place I reported to you on 24th March, being the other.

1. The two officers employed there were Major Cole and C.V.S. Huband.

2. *Stabling*.—There is accommodation for about 1,200 horses. I was informed that, if necessary, they had stabling not far off for another 800, but this I did not see.

I consider the stables very good and suitable for the purpose, but I did not see sufficient accommodation for watering horses at long troughs; whilst we were there watering was being carried on in one stable with buckets, which is never a good system, for some horses, if not all, will invariably be insufficiently watered.

3. *The system of Purchase* is carried on in exactly the same way as detailed in my report of 24th March, para. 2, which I consider is decidedly a good system.

4. *The usual causes of Rejection*, which I ascertained from a book kept by Major Cole, both by purchasing officer and veterinary officer varies little from the causes detailed in my para. 3 of report of 24th March.

5. *Rate of Purchase*.—Purchasing officers have lately been ordered by Colonel Willan not to purchase more than 140 horses per diem, except under any very special circumstances. From a book kept by Major Cole, his daily purchases were generally under 100, though occasionally they ran up to 120 or 130, but this was the exception.

6. *General Remarks*.—Both the above mentioned officers seemed to do their work most conscientiously and well. Major Cole has lately composed a very useful note-book showing where the cobs come from in Russia, with photographs of their particular types; this he is able to do at Stryj as all the cobs arrive there consigned from their various districts in Russia. When they leave Stryj, either after purchase or *en route* to Agram, they are, of course, all mixed up.

7. *Recommendations*.—(a.) I think that troughs should be erected in suitable places capable of watering at least 50 horses at a time continuously. By this I mean the troughs should have a constant supply of good water.

Water
troughs
required at
Stryj.

(b.) Many of the cobs we saw had only just arrived, and were very tired.

The purchasing officer told me that the rate of supply was not as quick as it should be, to enable the cobs to have sufficient rest before being sent on.

Rest on
journey to
Fiume.

I consider that every cob should, before being re-entrained, have *at least* four whole days' (*i.e.*, 96 hours) rest at Stryj, and two whole days' (*i.e.*, 48 hours) rest at Agram, if he had already had his 96 hours rest at Stryj; but if by any chance cobs were ever sent straight through to Agram, then they should have at least six days' (*i.e.*, 144 hours) rest at Agram; and all cobs should have *at least* two days' (*i.e.*, 48 hours) rest at Fiume, no matter where they came from.

This want of rest on the journey down to Fiume will undoubtedly tell when the cobs are at sea, and be the cause of losses on board ship. Above conditions might be inserted in any future contract.

I have, &c.,

A. S. PRATT,

Lieut.-Colonel R.F.A.

Forwarded.

M. GERARD,

Lieut.-General.

War Office, London, S.W.,
June 21, 1902.

SIR,

I AM directed by the Secretary of State for War to request that you state whether you can furnish any further information than that already given in your reports on the Horse and Animal supplies in foreign countries.

In order to amplify existing information on this subject Intelligence has been collected and filed in this Department, and reports have been called for in accordance with the attached form of questions, and it is the intention to endeavour to obtain further information so that this Intelligence may be as complete and recent as possible.

I have, &c.,
(Signed) J. M. TRUMAN,
I. G. R.

Lt. Col. Pratt.

2.

I. G. R.

WITH reference to the above, I am afraid I can give but little more information than that already given in my reports, which were practically confined to reports on Russian cobs bought by an Austrian dealer, inspected by our buyers in Austria and Austria-Hungary, and shipped by the dealers f.o.b. at Fiume in Hungary. As regards questions J., K., L., I make the following remarks:—

J. The class of men to be dealt with in Austria or Hungary.

I was told several times that it was impossible to deal in horses in large numbers, except through Jew horse dealers.

K. The best means of getting to know the best men as referred to in paragraph J. would, I think, be for the military attachés to supply a list of likely dealers every year.

L. The best way of getting horses together. This is a somewhat difficult thing to say, for one wants, if possible, to keep up competition and prevent any firm having the monopoly.

I think the best way would be to let each dealer select his centre or centres where he would collect his horses for inspection and passing by the buyers. Each dealer should then be held responsible for sending his horses down to the port of embarkation, and put them f.o.b. By this means you would get competition, but, on the other hand, I am afraid that the dealers would soon combine so as to prevent competing against one another when buying, and so the affair would soon drop into the hands of a company of Jews, as in the case of Hauser & Schlessinger, and I think that, in time of war, in Austria and Austria-Hungary it would always resolve itself into the system which obtained there lately. Also, at a place like Fiume it would be difficult to find enough stabling for more than one dealer. I believe there is no other good port in Hungary, and there would probably be serious objections to buying in Hungary and shipping at an Austrian port, such as Trieste.

A. S. PRATT,
Lt.-Col. R.F.A.

Report on Remount Operations in South Africa, by Major-General Viscount Downe, C.B., C.I.E.

SIR,

Army Headquarters, South Africa,
Pretoria, February 19, 1902.

I HAVE the honour to forward the enclosed copy of a report received from the Inspector-General of Remounts, South Africa, regarding his recent tour of inspection.

I have, &c.

(Signed) KITCHENER,

General.

To Field Marshal,
the Commander-in-Chief,
War Office, London, S.W.

Commanding-in-Chief,
South Africa.

FROM INSPECTOR-GENERAL OF REMOUNTS, South Africa, to CHIEF OF STAFF,
Headquarters, South Africa.

SIR,

Johannesburg, February 16, 1902.

I HAVE the honour to report that I landed at Cape Town on 31st December last, and took over the duties of this office on that day. I found the kraals at Green Point rather dilapidated, and arranged that these should be put in order and two new ones erected, and this, I hear, is completed. The ground at Maitland is not suitable for a large number of horses, and after carefully inspecting all available places, it was determined that Stellenbosch is far the best, as it is well situated, has good grazing, and with the addition of the adjoining farm will give accommodation for all the horses it is proposed to land at Cape Town; until they are in a state to proceed to Bloemfontein. On the 11th January I left Cape Town on a prolonged tour of inspection, visiting Worcester, De Aar, Naauwpoort, Craddock, Port Elizabeth, Stormberg, Aliwal North, Burghersdorp, Dordrecht, Bowker's Park, and East London, arriving at the last-named on the 29th January. Tour.

Port Elizabeth is the largest depôt for landing horses, and with the addition of 10 new kraals and some shelters on the sides most exposed to the wind will be quite satisfactory.

East London is well situated on high ground, but requires shelters on the exposed sides, as the wind and dust storms are very trying. These are ordered. From here, horses, when recovered from the effects of the voyage, proceed to *Bowker's Park*, which is well adapted for the purpose. Here more kraals are to be erected to provide the necessary accommodation.

Cape Town, Port Elizabeth, and East London are the three landing depôts in Cape Colony; for Cape Town, Stellenbosch is the main depôt. Port Elizabeth has ample accommodation until the horses are ready to proceed to Bloemfontein, and for East London, Bowker's Park is in every way suitable.

The remaining depôts mentioned above are chiefly employed as resuscitating depôts for worn out and incapacitated horses sent in from Columns. On the whole the results are satisfactory. Mange is very prevalent, but the dressing ordered by Major Blenkinsop, A.V.D., when properly applied, is most successful. It consists of kerosene, linseed oil, and soft soap.

I have seen few cases of glanders during my tour, though I hear that a considerable number of cases have occurred from time to time.

I left East London on the 3rd February, and proceeded by sea to Durban. Here the depôt is in the show yard, the kraals are very leaky, and in wet weather the horses stand in mud up to their hocks. The climate also is bad for horses, and it is very desirable that they should be moved up country as soon as they have rested two or three days after landing. With this object a small farm of 10 acres on the high ground six miles from Durban has been taken simply as a rest camp, and water troughs and railing are

being erected. From here, horses were forwarded to Gilletts, 12 miles north, where a large farm has been hired, and accommodation for 2,000 horses is in course of erection. Good grazing and water are to be procured here. From Gilletts I proceeded north, and visited Mooi River, Newcastle, Volksrust, and Standerton, and arrived at Johannesburg on the 11th February.

State of
depôts.

Since my arrival I have visited the depôts at Bezuidenhout and Pretoria, but as their condition is well known to the General Commanding-in-Chief, I need not report on them. The depôts generally in Cape Colony are in a satisfactory condition, and for this great credit is due to Lieutenant-Colonel Ryder, who has worked incessantly to put everything on a proper footing. Those in Natal require improvement, and I have no doubt that Lieutenant-Colonel Walrond, who has just assumed direction of the depôts in that Colony, will carry out what is required.

Officers.

Most of the officers employed in the various depôts all over South Africa had no previous experience of Remount work, as no proper Remount Department was in existence, but those at present employed are doing their best, and with the instructions they have received and the experience which they have now acquired, I have no doubt the work can be satisfactorily carried on to the end of the war.

Horses.

The class of horses imported into this country leaves much to be desired. Both in the shipments which I have inspected on landing, and in the depôts, I have found a large proportion of horses of an entirely unsuitable class for mounted men in this or any other country. In some cases this amounts to 50 per cent. I may instance the "Kent" and "European," and I was informed that the "Avona" which arrived at Port Elizabeth after I had left, was as bad. Although classified as fit for cavalry the horses that I refer to are only very indifferent draught horses, only fit for tram cars, far too slow and coarse for any sort of mounted work, and useless for artillery purposes, as the officers belonging to that branch of the service informed me. If used, these horses cripple the power of a column and largely increase the death rate of men and horses, and to this I attribute the great mortality among the latter during this war. I believe from 14 to 15.1 hands is the best size of horse for this country, and nothing coarse or bigger should on any consideration be purchased.

The Cape Colony and Basuto pony is the best. Good English and Irish cobs and small horses are very useful, but require time to learn to pick up food for themselves.

North American and Texan small horses are good, but the big horses are only fit for draught and therefore useless.

The Canadian cavalry horses which I have seen are much too big and coarse, though I am informed in the early stages of the war some useful ones were imported.

The first shipments of Russian ponies were of a very coarse low-grade type, too slow for fast work, but suitable for escorting convoys and slow operations. They are very hardy, will live on anything and are as a rule docile. The Russian horses are absolutely useless. At Durban I saw the ponies from Russia landed from the "Pinemore" and "Anglo-Canadian," and these are of a better type, showing more quality and activity, and I expect these will prove useful. The purchase of Australian horses I should like to see stopped. These horses require at least six months to acclimatise, and those I inspected at Durban from Queensland will not be fit for issue for at least nine months, being delicate, feminine looking, narrow horses, full of quality, but lacking muscle and condition entirely.

The Hungarian horses have not proved a success. I am informed the breed has been ruined by the use of Hackney stallions.

Some of the Argentines did good service, *e.g.*, those issued to the squadron of the 10th Royal Hussars, whose horses were lost when the "Ismore" was wrecked. But most of those purchased are not of a good class. I believe if a higher price had been given a useful class of horses could have been procured. I am informed that good Mexican ponies can be bought suitable for the work in South Africa.

In conclusion I would point out that three faults are noticeable in the purchase of horses—

- 1st.—Unsuitable horses as to type.
- 2nd.—Worthless, unsound horses.
- 3rd.—Horses that have never done any work, and which therefore cannot be rendered fit for hard work, even after a month's care after landing.

I have received the greatest assistance during my tour of inspection from Colonel Hotham, R.H.A. and Major Blenkinsop, A.V.D., whose knowledge of all matters connected with Remount questions, derived from long experience in India, &c., has proved invaluable to me.

I am about to start for the Orange River Colony and Kimberley, and will then submit a further report on the depôts therein.

I have, &c.,
(Signed) DOWNE,
Major-General,
Inspector-General of Remounts, South Africa.

From the COMMANDER-IN-CHIEF to LORD DOWNE, Melbourne.

(Telegram.)

War Office, April 17, 1902.

Your report, dated 16th February, is very meagre, and omits allusion to many important points. Remount officers are generally condemned as purchasers, with scarcely any advice or suggestion as to amendment. No mention is made as to state of horses on landing, as to length of time horses have been and are now detained at base before being employed, as to administrative work of Remount Depôt, as to the condition and equipment of depôts. Have they mangers, or do horses feed off the ground as has been alleged? No report on demands made by columns in the field, losses by sickness, system of forwarding by truck up country. I hope you will be able to remedy these shortcomings in a subsequent report, and that your inquiry in Australia will be infinitely more minute, and give details as to operations in each Colony. It is most important we should be in possession of full particulars as to the working of the Remount Department, both as regards South Africa and Australia. I would strongly urge you not to return home until you can give the required information.

From MAJOR-GENERAL VISCOUNT DOWNE to the QUARTERMASTER-GENERAL
TO THE FORCES.

Off Samoa, S.S. "Ventura,"
April 28, 1902.

SIR,

In reply to a telegram of the Commander-in-Chief on my report of 16th February on the Remount Department in South Africa, I have the honour to forward the following observations. Information is desired on five subjects.

1. It is stated that I have generally condemned Remount Officers as purchasers, but have given no suggestions as to amendment.

To this I would respectfully point out that I could only judge the purchasers by the horses provided. In some cases I found 50 per cent. of these horses far too heavy for mounted work, and as I stated, only fit for slow draught

work. Others were of too big a type for South Africa, especially those purchased lately in Canada. Many of the North Americans, although of a more suitable class, were entirely unbroken. Now, it was clearly my duty to make these observations on what I saw, but neither was it in my province nor my power to determine where the blame lay. I do not know what instructions were given to the purchasing officers by the Inspector-General of Remounts, which would be a considerable factor in forming an opinion, or the time allowed for finding the horses. I could only state that the result was unsatisfactory.

2. State of horses on landing — duration of retention at base before employment.

The condition of horses on landing varied considerably. The knowledge of the officer in charge, the ship itself, the weather, and the state of health of the horses when put on board were important factors. Thus, one officer, Mr. C. C. Dormer, clipped over 600 horses from Fiume on board as soon as they got into a warmer climate, with the best possible result. Two other shipments of Russians arrived with nearly all the horses suffering from mange. Another from America lost 76 on the voyage, 10 in the harbour on arrival, all from pneumonia, and the remainder in very poor condition, and I was informed that these horses were embarked all suffering from severe catarrh, having travelled long distances by rail in cold weather, and went straight from the train to the ship.

But I understood that a report on each ship that arrived was sent to Colonel Birkbeck, and by him forwarded to the Inspector-General of Remounts. So I imagined that reporting this was outside my duty. *

3. Administrative work of depôt, condition and equipment.

There are four lines of depôts—1st, from Cape Town to Kimberley; 2nd, from De Aar to Port Elizabeth; 3rd, from East London to Aliwal North; 4th, from Natal. In addition to the officer in charge of each depôt, to which is attached a veterinary surgeon and junior officers in proportion to the size of the depôt, an inspecting officer has charge of each line which he constantly inspects. Colonel Ryder, in addition to superintending the Cape Town-Kimberley line, is head of the office in Cape Town, and has also charge of all lines in Cape Colony. Colonel Waldron, R.F.A., has charge of Natal. In addition to these four lines there is a large central depôt at Bloemfontein with two farms—Fischer's and Lynch's—at some five miles distance, and smaller resuscitating depôts at Heilbron, Winburg, and Springfontein. These represent the Orange River Colony depôts. In the Transvaal the principal depôt is at Bezuidenhout, outside Johannesburg, with a veterinary hospital three miles distance, and smaller ones at Standerton and Middleburgh. Moreover, finding that the small depôt at Mafeking was not required, I gave directions before leaving for its removal to Vryburgh. I find many of the depôts not provided with shelters from dust and wind, or protection from weather, and in some cases water was not laid on. I arranged for all these being provided.

There are three classes of depôts—landing depôts, issuing depôts, and resuscitating depôts. The latter part of question 2 appears to come under this heading. At *Green Point*, Cape Town, the horses stay one or two days at most to get on their legs, and then proceed by train to *Stellenbosch*, where an excellent depôt, capable of holding a large number of horses has been recently formed—the original one requiring many alterations—and here horses can be kept and eventually trained until fit for issue. At *Port Elizabeth*, there is a very large depôt, close to where horses are disembarked, in very good order and very healthy, and here again horses can be thoroughly trained. I strongly recommend that this depôt should be retained after the war ceases, as it is the most suitable place for landing as well as keeping horses until required for issue. *East London* is fair, but the depôt is $2\frac{1}{2}$ miles from the landing wharf, and is in an exposed and terribly dusty spot. *Durban* is bad, the depôt is on the Agricultural Show Ground, and in wet weather the horses stand up to their hocks in mud. Moreover, the climate is bad and horses suffer from bilious fever very much there, and lose condition at once. The Natal line was much worse organised than the others, but Colonel Walrond had only taken over charge the day I arrived, and Lieutenant-Colonel Horne, R.H.A., had also just

taken charge of the Durban dépôt, so I have no doubt all faults will have been corrected before this. From the above remark, it will be seen that it is impossible to keep all horses at the landing dépôt for long, as at Durban they go back instead of recovering from their journey, and East London is not desirable for a long stay. Lord Kitchener told me that he had given orders that no horse was to be issued for use with columns on service until it had been a month in South Africa. Very few of the officers I found knew of this order, and horses were continually sent to dépôts up country with no description of them or date of their arrival in the country. I gave stringent orders to remedy this, and called in all horses I found already issued that had been too short a time in South Africa.

The issuing dépôts are:—Bloemfontein, Bezuidenhout, Standerton (a small one), Newcastle, De Aar, and Bowker's Park. The others are resuscitating ones for horses returned from column, and are chiefly full of horses suffering from mange, with a small proportion of sore backs, wounds, and laminitia. The worst cases are sent to veterinary hospitals, and now resuscitating dépôts are separate from issuing dépôts to avoid infection as much as possible. Mange, which is very prevalent, is not of the worst description, and three dressings are usually sufficient.

4. In most dépôts I found the horses were being fed out of troughs, but in a few none were provided, but in those cases they had been ordered and were due in a few days. I would here remark that except the danger of the hay being trampled on, I believe there is no objection to hay being on the ground, except on sand.

The late Mr. Henry Goodall, M.R.C.V.S., Melton Mowbray, the most practical man I ever knew, always strongly advised this, and was of the opinion that much of the bowing now so prevalent is due to horses always eating in an unnatural position.

5. Report of demand made by columns in the field, loss by sickness, system of forwarding by truck up country.

Horses were forwarded by ordinary trucks, some open, some covered, usually 10 in a truck. At the beginning of the war great neglect was shown in this, and proper men were often not in charge, and the feeding and watering neglected. This was all remedied before my arrival, and horses are taken out and watered and fed at proper intervals. As I left Johannesburg, Colonel Girouard was arranging for three trains for horses, with covered trucks to hold eight horses standing head to head, with feeding accommodation in the middle, so that horses could be fed and watered without detraining. This would shorten the length of journey considerably. The other questions under heading No. 5 I cannot answer, as no return was ever sent to me. Colonel Birkbeck had them all and told me he sent them monthly to the Inspector-General of Remounts, London. He had a big office and large staff of clerks at Bezuidenhout, so was in a position to receive reports and compile returns in a satisfactory manner. I was travelling incessantly, living on luggage trains, and had no head-quarters, no office, and no clerk, and therefore had no facilities for making out returns.

I have, &c.,
(Signed) DOWNE,
Major-General.

Report on Remount Operations in Australia, by Major-General Viscount Downe, C.B., C.I.E.

FROM MAJOR-GENERAL VISCOUNT DOWNE TO THE QUARTERMASTER-GENERAL
TO THE FORCES.

SIR,

Melbourne, April 14, 1902.

IN reply to yours, dated 6th March 1902, concerning the Commission in Australia on Remounting, I have the honour to report that I arrived in Melbourne from South Africa with Colonel Hotham on the 29th March, and at once proceeded to make all inquiries from Colonel Hunt, the Remount Agent for the Colony, from the Governor-General, who was deeply interested in the subject, from members of the Colonial Government, from dealers, shippers, professional buyers, from Messrs. Campbell & Co., the chief auctioneers, from the Government Veterinary Surgeon, and other sources; I have also inspected some remounts in paddocks ready to embark for South Africa, a shipload that was embarked consigned by Messrs. Krcrouse and Madden for the South African Constabulary, and another for the Indian Government. I now proceed to answer, for the information of the Secretary of State for War, the various questions in your letter in detail.

1. It would appear that the country generally, was, and is, fully alive to the fact that the Imperial Government is buying remounts; Colonel Hunt and his staff are constantly moving about in the horse-breeding districts of the Colonies, purchasing and trying to purchase suitable horses; also that Colonel Hunt has been in communication with the Colonial Governments throughout.

2. As regards appointing buyers in the country, the provisions of the Remount Department have been most suitable, as no better buyer than Colonel Hunt could have been selected; also Colonel Holdsworth and Veterinary Captain Nuthall are both reported by Colonel Hunt as excellent and hard-working officers. But having once sent a buyer of the standing and experience of Colonel Hunt to a country so far away and so large as Australia, it would appear a better system to allow him to make small contracts with dealers on the spot, without having to refer home to the Remount Office, for in some instances contracts were lost on account of answers to cablegrams not being received in time; dealers, and especially small ones, cannot afford to keep horses for two or three weeks, and good horses are often lost; further, there are other buyers in the country besides the Imperial Government.

3. There were no horses being purchased in Australia for the Imperial Government when I arrived in the country, but a shipload is now being purchased in New Zealand, to sail the end of May; Colonel Holdsworth is collecting them at different centres ready to embark. Since my arrival I have contracted, with your approval, with Messrs. Krcrouse and Madden, the well-known Indian shippers, to supply 500 horses in April and 500 in May, c.i.f., landed in Durban in good condition and practically sound, at 36*l.* a head, to be passed in Durban. The last shipment sent by Colonel Hunt was in the "Raeburn," which sailed in January, a shipment of horses which he speaks well of. The type of horses that are being sent by Messrs. Krcrouse and Madden, of which I have seen some 500, are small sturdy horses from 14·1 to 15·1, of good quality, and in good condition. These horses, purchased for the most part in Victoria and parts of New South Wales, are bred by small owners as a rule, and are better fed and better broken than those off the large runs in New South Wales and Queensland. The class of horses purchased and sent from Queensland, especially lately, was not good, they were not of the right stamp; but Colonel Hunt has lately had the greatest difficulty in obtaining small compact horses in the large numbers required. Doubtless, in Queensland, there are very large numbers of horses of sorts, but they are as a rule, light, weedy, and badly nourished; these faults have been, of course, much aggravated by several seasons of drought; also, they are as a rule

totally unbroken, and not used to be handled like paddock-bred horses; they pine and fret on the ships, fall away in condition, do not eat, and are little or no use for work on landing for several months, and thus are useless for a campaign. It is to be feared from all information received that no great numbers of the stamp required are to be obtained anywhere, and it is to be regretted that through careless breeding there are not the same numbers of good stout horses in the country as there were six or eight years ago.

4. The prices given have varied with the market value, which Colonel Hunt has carefully watched, from 13*l.* 10*s.* to 19*l.* 10*s.*, which price he is now offering in New Zealand; latterly, however, owing to great competition in a restricted market, prices have been going up very rapidly throughout Australia, and this week at the big auctions in the country I notice that dealers are giving from 16*l.* to 25*l.* for horses suitable for South Africa. (I inspected the sale books). This competition is caused by buyers for the Imperial Government, for the South African Constabulary, and the different shippers who are buying for speculation in Durban; these latter sell there to the Imperial Government and the South African Constabulary, or hope to do so, and also to private speculators in that port. Next week the prices may still rule higher, for the new Australian contingents are coming in as buyers for some 500 horses of the same stamp, which they will probably have to pay for at a rate of 23*l.* to 25*l.* a head. The Indian buyers will soon also be buying hard for next season's shipments, which will be heavy ones, and their prices are high.

5. The inspections of animals by the remount agents appear to have been carefully carried out in every way; the average number bought daily appears from returns to have averaged not more than 70. Some days, of course, very few could be purchased and passed, and on other days, when ships were in and waiting, a larger number had to be passed to avoid demurrage.

6. The arrangements for the care of the horses, between delivery from sellers to embarkation, have been quite satisfactory; if bought from dealers, the horses are only passed delivered fit on the ship; if purchased privately, as at present in New Zealand, they are placed under charge of a conducting officer, and are fed by contract, under supervision, until embarkation, at 12*s.* 6*d.* a horse per week.

7. The arrangements for embarkation, as far as they rest in the hands of the remount agent in the country, are simple. He and his staff inspect the ship, see the horses on board and check the numbers; the ships themselves are taken up by the Remount Department at home, and the conducting officer, veterinary surgeon, horse attendants, &c., come with the ships. The staff on the ships themselves might often be better, especially the farriers and shoeing-smiths, for the period many of the horses take to get fit for service after landing depends a good deal on the care of their feet during the voyage. The feeding of the horses on board ships is not always good, and in many cases horses are not accustomed to the food provided, and naturally fall away. Experienced private shippers of horses invariably accustom their horses before embarkation to the food they will get on the ships. In the case of horses delivered by shippers c.i.f., as those now being supplied by Messrs. Krcrouse and Madden, the shippers take up their own freight, and they do not pay more than on an average half what our Government has done. It is due a good deal to this that they can afford to give as good or better prices in the public market than our agents, and still make a fair profit; and, although their horse fittings are not so elaborate, they are often more practical, and the private shippers' losses are, as a rule, less than ours, and their horses often land in far better condition—due to better feeding and to teaching horses to feed before embarkation.

*8. The percentage of rejections of any cargo only occurs with horses purchased c.i.f. to be passed at the port of disembarkation. On Government-purchased shipments rejections do not occur at all, as when horses are once put on the ship the purchase is concluded, and, although they may be landed in bad condition, they cannot be rejected.

There is a popular fallacy which sounds very well in theory, viz.: that of dealing direct with the breeders—but any buyers, military or civilian, who

have tried to do so, will tell you that it is next to impossible and very costly when buying in numbers, for many reasons:—

- (1.) On the score of expense, the expenses of travelling all over a large country but little opened to railway traffic, buying ten horses here, six there, &c.; and moving these small batches of horses down to the place of embarkation, together with the expenses of the buyers, comes to a large item.
- (2.) Private breeders dealing with Government buyers always expect to sell to them all their rubbish, invariably ask absurd prices, and are not as a rule over pleasant should the buyer decline to accept the rubbish or to pay fancy prices. Further, they will take no trouble to bring horses to the buyer, though a place be advertised.
- (3.) In Australia, especially, the general system of selling horses is through large auctions held in the different districts at certain times of the year, where, if the horses be good, a fair price is always obtained. Is it possible at any public auction, where horses are sold at an average rate of one a minute, for an amateur buyer in a strange country to compete with professionals at their own trade, and in their own country?
- (4.) There are two classes of breeders in Australia—the big squatters or men that own runs, and the small settlers, or so-called “cockatoos”; the former own generally large mobs of young horses, for the most part unbroken, and entirely grass fed, and they get better prices by selling the mob right away to the big Indian and other shippers, who can place both the good and the inferior horses, by selling the good ones at a good price to the Government in India and the rest in the private market out there and in their own country, than by selling, say 20 or 30 of the pick, to Government buyers on the spot, who naturally can only take suitable and broken horses, which would leave the inferior class or culls unsaleable on their hands. The dealers have local agents all over the country, and they can buy at a far cheaper rate than can our buyers, who do not know the country. The general experience of horse dealing, moreover, would tend to show that breeders, as a rule, prefer to sell to a dealer rather than to any private buyer, for the dealer generally comes again next year.

Many people will tell you, and the general idea in England is, that Australia swarms with horses, and that good horses are to be bought like rabbits—for next to nothing. There are doubtless large numbers of horses of sorts in the country, but the breeders mostly breed for racing purposes, and thus the greater part of the surplus horses are weeds, and have not much substance. Also a very large quantity on the big runs or stations are entirely unbroken and useless for military purposes during a campaign, where horses have to be put to work at once, though with six months' feeding they would be excellent animals. There are, doubtless, large numbers of good useful horses bred, but beyond the local requirements and the Indian market, which is a very good one, and which takes some 6,000 to 8,000 horses a year, there has been no great demand outside. The country is to a great extent not an arable one, and tramways are all cable and electric, and so a large quantity of strong horses has not up to date been required. When the South African War, which has taken some 30,000 horses, is over, the demand will probably drop back to its usual proportions, and it is more than probable that such a demand for horses may not spring up for many years again.

Breeding remounts is not always a paying trade. The suggestion to form in the Colony Imperial studs for the Home and the Indian Governments reads well; but in the opinion of many who have thought out the subject, no great benefit would be realised, and certainly a heavy expense would be entailed. The Imperial demand for horses would certainly not be great for Home purposes, and the Indian Government are quite satisfied with their present excellent system of giving orders to a certain number of tried shippers to deliver horses at Calcutta, Madras, and Bombay, c.i.f., to be passed at these ports by Government buyers, up to a certain standard at a fixed price. (*See Report on Remounting and Breeding in India, 1900-1901.*) The

breeding of horses is always best left to private enterprise. Small breeders may be much encouraged and helped—and small breeders, as a rule, breed the most useful and suitable horses—by placing Government stallions in the districts at a small fee, by taxing private stallions and getting rid of bad ones; the export of young mares might be checked also in some way, but these measures must be left in the hands of the Commonwealth Government.

Perhaps there is no more difficult country for an inexperienced buyer to come to than Australia. Luckily, Colonel Hunt had his Indian experience, and knew both the horse and also the best dealers and shippers; for there are *bonâ fide* shippers and dealers with capital, who can afford to buy and pay for their own horses and also freight their own ships, but there are, and especially in war time, many speculators who buy horses on borrowed money, and who are more or less in the shippers' hands. There are also butter merchants and general dealers, who take contracts for horses and sub-let them at a good profit; this is the most troublesome, and most pushing class. The system of employing only one or two good dealers, or if buying horses c.i.f., two or three good shippers, say, one in each Colony, *in war time*, recommends itself, for if five or six men are trying to buy one article, be it a horse or a cheese, the price of that article must go up; whereas, if there be only one or two men after it, the price is probably nearer its true value. *In peace time*, employing several good shippers and giving to each an order for so many horses, according to his former services and his capacity, as the Indian Government does, is the best of all systems, and this Government is grandly served by an excellent lot of shippers from Australia. Having a good many importers makes a healthy competition, and the private market helps them well out.

There are many complications in horse-dealing in the Colonies, political and otherwise, which do not tend to make the life of the Government purchaser either a very easy or a very pleasant one, and he should, at least, be very strongly supported by the head of the department at home, or his life will become unbearable, should he be a man of sensitive feelings.

I have, &c.
(Signed) DOWNE,
Major-General.

Report on Remount Operations in New Zealand, by Major-General Viscount Downe, C.B., C.I.E.

REMOUNTING.

FROM MAJOR-GENERAL VISCOUNT DOWNE to the QUARTERMASTER-GENERAL
TO THE FORCES.

SIR,

Honolulu, May 7, 1902.

Remounting,
New
Zealand.

REFERRING to the Remount question in New Zealand, I have the honour to state for the information of the Commander-in-Chief that although horses are not bred in the same large quantities in New Zealand as they are in Queensland and New South Wales, and that there are no big horse runs or stations as in those colonies, still the New Zealanders have the best of blood in the country (Carbine is a New Zealand bred horse) and are a horse-loving people; the farmers in most districts of both islands breed a very good stamp of horse; also, the climate and soil are suitable to horse breeding, grass is plentiful and good, and the horses are well broken and well cared for.

New Zealand farmers far more resemble English farmers than do the Australians; and New Zealand horses, in the same manner, are more in character with English horses, and are fed, worked, and broken in in the same manner.

Some 10 different New Zealand contingents have gone to South Africa, and they have, I think, almost invariably been reported on as well-bred horses.

Both the North and South Islands contain a fair number of horses of good quality and most suitable for Army remounts. Waverley and Hunterville districts in the North Island, and the Canterbury district in the South Island, are the main centres of horse breeding. The ports for shipping from, on the North Island, are Wellington and Auckland; that in the South Island is Lyttleton.

The price of horses has risen naturally somewhat with the demand. The New Zealand Government are now giving about 20% per head all round for the horses of the last contingent (average 15·3 in height). At the present time Colonel Hunt has concluded a contract with Messrs. Stephenson and Stephens to supply 750 horses, 14·2 to 15·1 in height, all to be delivered by the 23rd May.

Colonel Holdsworth, 7th Hussars, is at the present time engaged in inspecting and selecting the horses in the different districts as they are collected by Mr. Stephens. All horses he selects south of Plymouth he sends to a dépôt at Palmerston, ready to be shipped at Wellington; those bought north of Plymouth he forwards to a dépôt at Hamilton ready for shipment at Auckland.

Mr. Hopkinson and another conducting officer are in charge of these dépôts, where the horses are placed in good paddocks and fed and cared for by Mr. Stephens' men, at the rate of 12s. 6d. per horse per week. This includes branding, droving, blacksmiths, and forwarding from the districts where purchased to the dépôts. Colonel Holdsworth states that he will, he thinks, be able to complete the shipment from the North Island, and he also thinks that he could find several hundreds more; he has also some 300 under offer at Christchurch in the Southern Island. The horsing of this last contingent has in no way interfered with his buying, on account of their taking horses of 15·2 and 15·3. Some 300 horses have been approved of by him since the 3rd of April, when he commenced buying, and he reports the quality of the horses unusually good; further, that they are in good condition and well broken.

The price of the horses supplied by Messrs. Stephenson and Stephens has been fixed at 19% 10s. Adding to this price the keep of the horses in the dépôts, the cost of rugs, railway expenses to the ship, &c., the horses should be put on board the ship at 23% per head.

In June 1901 a contract was made, in London, with the New Zealand Government, for some 800 horses, at prices from 18*l.* to 22*l.* Colonel Hunt only inspected this shipment. He speaks of the horses as a fairly good lot, though a bit coarse and clumsy, and on the whole too big.

This year, when the Remount Department asked Colonel Hunt to buy and obtain another shipload from New Zealand through the Government of that country, the New Zealand Government refused to supply the horses in the same manner, as the Government had lost money by the first shipment. Colonel Hunt then sent Colonel Holdsworth, in March, to New Zealand, who put himself in communication with the Minister for Agriculture and others. Through their advice he saw Mr. Stephenson, M.H.R., put himself in communication with Colonel Hunt direct, and the latter concluded the contract with Messrs. Stephenson and Stephens to supply 750 horses on the above-mentioned terms before May 23rd. It would have been quite impossible to buy the horses direct from the farmers without an agent. The farms are much scattered in the districts, and the horses have to be collected at various places on different dates for the Inspecting Officer to see them; to get at the horses it is essential to employ an agent who knows the country and the breeders; further, it is in the end by far the cheapest way. Colonel Holdsworth has selected up to date 300 out of some 1,200 produced.

Colonel Hunt was on the point of leaving Sydney for New Zealand at the end of March, but on receiving a telegram from me stating that I had arrived in Melbourne with Colonel Hotham, he came at once to Melbourne, on the 30th March, to meet and confer with me. Colonel Holdsworth met me at Auckland on the 26th April, and reported to me his work up to date. He speaks highly of the horses in general, also of those he has bought, and his arrangements for the care and feeding of the horses bought, in the depôts, seem to be very good.

Colonel Holdsworth is a very capable and energetic officer; is well known by Colonel Hunt—who was his Colonel in the 7th Hussars, and also by Colonel Hotham, as an officer who understands horses and is fond of the work. I wish to draw your attention, however, to the needlessly large staff of officers attached to the Remount Department in these Colonies. The last shipment of horses purchased direct by Colonel Hunt was in January 1901. Since February (of this year) there have been in these Colonies Colonel Hunt, Colonel Holdsworth, Veterinary Captain Nuthall, and Civil Veterinary Surgeon Taylor, the regular staff; also Civil Veterinary Surgeon Conagher, Mr. Hopkinson (Reserve), Mr. Prior (Scottish Horse), and Captain E. Parsons (Imperial Yeomanry), who arrived from South Africa as conducting officers.

Mr. Conagher, it appears, was sent from Pretoria to see whether blue glanders existed in Australia. Now, as there were in the country two very competent men, Veterinary Captain Nuthall, A.V.D., and Civil Veterinary Surgeon Taylor, the sending of Mr. Conagher appears to have been but a useless expense, especially as I know that competent veterinary surgeons were terribly wanted at the time in South Africa. As one veterinary surgeon and one conducting officer are required for the shipment to sail the end of May, I have directed Colonel Holdsworth to send Veterinary Surgeon Conagher and Captain Parsons, also in that ship, as not required.

Captain Parsons would not appear, from the reports on him by Colonel Hunt and Colonel Holdsworth, and also from his manner and the tone of his letters, to be at all the class of officer to take charge of a shipload of valuable horses, and I am at a loss to think how such an officer should be sent for the purpose. I have directed Colonel Holdsworth to send him back on the ship to South Africa as a passenger.

Mr. Hopkinson and Mr. Prior are reported as useful and keen officers.

I have seen a good deal of Veterinary Surgeon Conagher; he is certainly a very intelligent and useful veterinary surgeon, who has his work thoroughly at heart. Of Veterinary Captain Nuthall, A.V.D., and Civil Veterinary Surgeon Taylor, Colonel Hunt speaks highly, especially the former.

The cost of this large staff comes to some 570*l.* per month (Staff pay extra). This for four months, added on to the price of the horses, and counting for at least 5 per cent. of casualties and useless horses on landing, will, with a

freight of 16*l.* per head, make the horses stand at some 42*l.* to 43*l.* per head on landing at Durban. This compares badly with shipments of equally good horses, sent c.i.f., to be passed at Durban, by private shippers like Messrs. Krcrouse and Madden, Glasscock, &c., landed at 36*l.* per head in good condition.

The expenses of the staff, the high shipping charges and the loss on sick and dead animals on the voyage, added to the charges for keep, &c., to the depôts for some weeks previous to embarkation, comes to a very large item. It must be borne in mind, however, that all horses to be shipped for a long voyage should be kept and hand-fed in depôts and sheds for some weeks before embarkation, so as to get them accustomed to confinement and the food they will receive on board ship. Should this not be done, the horses, especially those from large runs, straight from fairs and off the roads, and for the most part grass-fed, will fret terribly, refuse to eat, and, when first embarked, fall away greatly in condition. The best of the private shippers in the Colonies invariably prepare their horses for shipment in this manner, and the results have shown the wisdom of so doing. The horses best prepared before embarkation will always land in the most forward condition, and be fit for service in half the time it will take those not prepared at all; also, the losses through sickness will be 50 per cent. less.

In conclusion, I have the honour to state that from all I have seen and heard, I should class the horses for general usefulness, to go on service shortly after landing, from the different Colonies as follows:—

1. New Zealand.
2. Victoria.
3. New South Wales.
4. South Australia.
5. Queensland.

But, as I have stated above, New Zealand has no very large supply.

I have, &c.,
(Signed) DOWNE,
Major-General.
